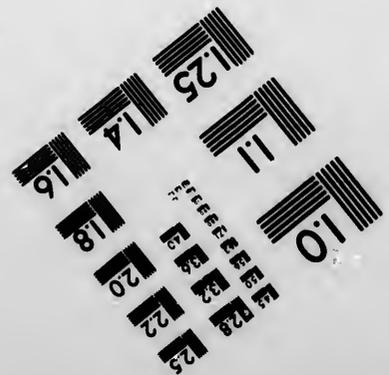
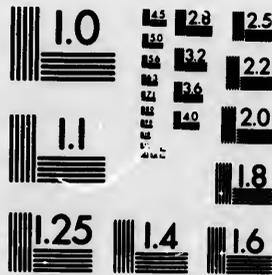


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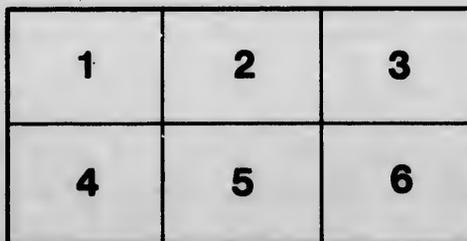
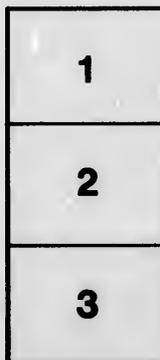
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TRADE WITH CANADA.

ADDRESS

OF

HON. BENJ. BUTTERWORTH,
OF OHIO,

BEFORE THE COMMITTEE ON WAYS AND MEANS,

MARCH 3, 1890.



WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1890.

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TRADE WITH CANADA.

STATEMENT OF HON. BENJAMIN BUTTERWORTH.

The Hon. BENJAMIN BUTTERWORTH, Representative from the State of Ohio, addressed the committee on the subject of trade with Canada. He said:

Mr. Chairman and gentlemen of the committee: Under the circumstances, pressed as you are for time, I feel that we can detain you but a few minutes. I desire, however, in addition to the statistics and figures I now submit, to hand you some other figures in support of the bill "To provide for adjustment of all controversies and to extend the trade and commerce of the United States, and to provide for full reciprocity between the United States and the Dominion of Canada."

The bill which I introduced some time ago (H. R. 675), and in advocacy of which I now appear before you, has for its object the establishment of unrestricted reciprocal trade between the United States and the Dominion of Canada, and at the same time to settle all disputes which have arisen between the two Governments growing out of the fisheries question. I allude to the fisheries on the east coast, and not to the troubles which have arisen in regard to the seal fisheries. It is proper to state in the first place that Canada has as full power and authority to consummate this arrangement as has the United States.

Mr. CARLISLE. It being a pure matter of legislation?

Mr. BUTTERWORTH. Yes, sir; a pure matter of legislation. The proposition is distinctly set forth in the bill itself, which, if you will pardon me I will read:

A BILL to provide for adjustment of all controversies and to extend the trade and commerce of the United States and to provide for full reciprocity between the United States and the Dominion of Canada.

Whereas certain controversies have arisen and are still pending between the Government of the United States and the Government of the Dominion of Canada, respecting commercial intercourse; and

Whereas by reason of the contiguity of the two countries and the similarity of the interests and occupations of the people thereof, it is desired by the United States to remove all existing controversies and all causes of controversy in the future, and to promote and encourage business and commercial intercourse between the people of both countries, and to promote harmony between the two Governments, and to enable the citizens of each to trade with the citizens of the other without unnecessary restrictions: Therefore,

Be it enacted, etc., That whenever, and as soon as the Government of the Dominion of Canada shall permit all articles of trade and commerce of whatever name or nature, whether the product of the soil or of the waters of the United States, all manufactured articles, live stock, of all kinds, and its products, and all minerals, the produce of the mines of the United States, to enter the ports of the Dominion of Canada free of duty, then all articles manufactured in Canada, and all products of the soil and waters, and all minerals the produce of the mines of Canada, and all other articles of every name and description produced in said Dominion of Canada, shall be permitted to enter the ports of the United States free of duty: *Provided, however,* That the provisions of this act shall not apply to any product or article upon which an internal-revenue tax is imposed by the laws of the United States.

SEC. 2. That when it shall be certified to the President of the United States by the Government of the said Dominion of Canada, that by the authority of its Parliament it has authorized the admission into the ports of said Dominion of all articles of trade and commerce the growth, produce, or manufacture of the United States, free of duty, the President shall make proclamation thereof, and shall likewise proclaim that all articles the growth, produce, or manufacture of the said Dominion of Canada shall be admitted into all the ports of the United States free of duty, and such articles shall be so admitted into the ports of the United States free of duty so long as the said Dominion of Canada shall admit the products of the United States, as herein provided, into the ports of the Dominion free of duty.

SEC. 3. That the Secretary of the Treasury is hereby authorized, with the approval of the President of the United States, and in conjunction with the proper officials of the Government of the Dominion of Canada, to make rules and regulations for the purpose of carrying into effect the provisions of this act, and to protect the said respective Governments against the importation of foreign goods or articles through either into the other without payment of duty; and the Secretary of the Treasury of the United States shall furnish to the customs officers of the United States all such rules and regulations for the purpose of guiding them in the discharge of their duties in the premises.

SEC. 4. That before making the proclamations or either of them authorized by this act the President shall be satisfied that all citizens and subjects of the United States may have and enjoy the right of commercial intercourse in all the ports, harbors, and places in Canada with the citizens and subjects of the Dominion, in as full and ample a manner in all respects as may be had or enjoyed by the latter in the ports, harbors, and places of the United States, with the citizens and subjects thereof.

IMPORTANCE OF CLOSER RELATIONS WITH CANADA.

Is what is proposed desirable? Would it be well to enlarge the trade and commerce of our country? In this connection it is pertinent to call attention to the fact that we witness to-day an exhibition (on the part of our Government) of the expenditure of large sums of money, and a display of national hospitality, which is indeed timely and worthy of us, to establish a trade with a people 3,000 miles away; a trade that is actually less than that we have with the Dominion of Canada. If it is desirable to establish fuller and freer commercial relations with the several states of South America, the West Indies, and Mexico, it is of far greater importance to establish similar trade relations with the Dominion of Canada. It is urged by some who do not, or at least affect not to, understand the proposition, and the influences that would result from its adoption, that to establish free trade relations with Canada, would hamper and restrict the opportunities of our manufacturers and producers. The statement is unwarranted.

Obviously, to establish the relation proposed by the bill I have introduced, would be to multiply over and over again our facilities, and can anything be more illogical or absurd than to assert that to render more ample the facilities for doing what is desired is to abridge the opportunity for doing it. If this is so the rules of logic must be inverted, and we know of no process of reasoning from known facts to correct conclusions. It would seem more in accordance with common sense to say that the multiplication of facilities enlarges the opportunity. Canada is a vast store-house of supply, with natural wealth, boundless in quantity and almost infinite in variety, and is at our doors, and more, is essential to a fuller and better condition of general prosperity. It is at the same time a great market for the product of our mills, shops, and factories, and not only that, it is a part of our home market. It is, in fact, our home market, and is also one of the natural and obvious sources of supply.

TRADE WITH CANADA AND SOUTH AMERICA COMPARED.

It is quite proper in this connection, when speaking of Canada being our home market, to compare our trade with the 5,000,000 of our kinsmen on the north of us with the trade we have with the 51,000,000 of people south of the Rio Grande, and with whom we are endeavoring to establish unrestricted reciprocal trade. I have the figures here, if you please, carefully collected, and it is worthy of note that while we are straining every nerve to secure the least desirable, we have heretofore, and are still, refusing to make any effort to obtain the more desirable arrangement with our neighbors and kinsmen at home. But here is the showing:

In the year 1889 Canada purchased from the United States \$55,879,192.

South American states purchased in the same year as follows:

Argentine Republic	\$6,364,545
Bolivia	1,304
Brazil	8,127,883
Chili	2,069,138
Ecuador	1,052,772
British Guiana	1,469,039
Dutch Guiana	239,674
French Guiana	142,712
Peru	722,829
United States of Colombia	6,114,941
Uruguay	1,567,981
Venezuela	2,871,719
	<hr/>
	50,744,497
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Mexico purchased from United States in same year (1887)	\$7,959,557
Central American states	2,935,447
British Honduras	354,932

11,249,936

In the same year we purchased from Mexico	14,719,840
Amount free of duty	9,928,122

Dutiable

4,781,718

In 1887 the islands purchased as follows from the United States:

Cuba	\$10,546,411
Porto Rico	1,738,492
Hayti	3,230,128
San Domingo	1,032,865
British West Indies	6,647,204
Danish West Indies	613,626
Dutch West Indies	539,805
French West Indies	1,352,778

25,701,309

Recapitulation of purchases of foreign countries in 1887:

South American states	\$30,744,497
Mexico	7,959,557
Central American states	2,935,447
British Honduras	354,932

67,695,744

VALUE OF CANADA'S PURCHASES FROM THE UNITED STATES.

In the years of 1883, 1884, and 1885, Canada purchased more from us than all the other countries and islands on the western hemisphere, and during the existence of the reciprocity treaty, from 1855 to 1866, she bought from us more than she sold to us, the large sum of \$59,136,256; and from the year 1850 to 1889, inclusive, a period of forty years, there have been only seven years in which the balance of trade has been against us with that country. In thirty-three years it has been in our favor.

Canada is the only country on the western hemisphere which buys more from us than they sell to us, and in the aggregate, during 1887, the balance against us in all the above named countries and islands outside of Canada and including the Hawaiian Islands, amounted to \$112,684,635.

All the above countries and islands contain about 51,000,000 of inhabitants. Canada has only 5,000,000, and yet she buys from us within about 25 per cent. of as much as they all purchased. If we include only the South American and Central American States and Mexico, she purchases from us 25 per cent. more than all of them. Yet, we have appropriated thousands of dollars for the entertainment of the representatives of all these independent States, whom we have invited here to enter into reciprocal trade relations, when nearly everything except sugar, which we now purchase from them, is admitted free. Not only is this true, but upon a very large portion of the articles which we purchase from these countries, and admit free of duty, an export duty is imposed by the country selling them to us, and we offer no retaliatory legislation against it.

Is there any conceivable reason why we should not offer as broad and liberal trade measures to Canada, by concurrent legislation, as we are seeking to thrust upon all of South and Central America and Mexico by a most hospitable diplomacy.

From the year 1850 to 1889 the South American States bought from us goods of both our own and foreign production to the amount of \$598,489,899.

During the same period the United States bought from South America goods to the extent of \$1,701,058,329, or an excess of our imports over exports to these countries of \$1,202,568,450.

If we add to the South American trade that of Mexico, Central America, and the West Indies, the amount during this same period will show as follows:

Goods purchased from all these countries, from 1850 to 1889, inclusive.	\$3,756,458,667
Goods sold to them during the same period	1,600,466,118

Or an excess of imports over exports of

2,155,990,569

During this same period Canada purchased from us goods to the amount of	1,405,752,215
While we purchased from them	1,153,634,303

Or an excess of our exports to that country over our imports from it of. 252,117,912

THE BALANCE OF TRADE.

Here are 51,000,000 of people to the south of us with whom, for the last forty years, we have a balance of trade against us of \$2,152,990,569, and yet we are seeking by every device known to diplomacy, aided by the strong arm of the Treasury, to further extend our trade with them, regardless of any revenues this trade may bring to the Treasury. Here are 5,000,000 of people to the north of us who, for the last forty years, have a balance in their favor of \$252,117,912, and yet, instead of using national effort to extend and increase our trade with them, we are sending out investigating committees to see if some injury, real or imaginary, can not be hunted up or sought out, by virtue of which we shall be enabled to frame some bill of indictment against them. Can any fair, broad-minded, reasonable man tell us why this is so?

The United States is a great nation; Canada is a small nation so far as numbers are concerned. Geography and destiny have decreed that the two people shall be one. Nothing but parsimonious statesmanship will enable them to continue as two countries.

Let us show by our acts to these people that we are willing to deal fairly and liberally with them; at least, as fairly as we are striving to deal with all the people between us and the south pole. This will make them feel that it is desirable to live not only on good terms with us, but to come in and be a part of us. Starving or coercive measures will never accomplish this end. Such policy wholly ignores the operations of human nature.

Mr. FLOWER. Right here let me ask you a question. Do these South American products, which come from these countries, compete with our American farmers in what they grow?

Mr. BUTTERWORTH. Some do and some do not. I will get to the question of competition in a moment.

Mr. FLOWER. Would not you get this? Our manufacturers send to Canada these \$51,000,000, and they send to these American States twenty odd millions of dollars. In one instance you are getting the benefit of the manufactures at a point south, and in another instance you are getting the benefit at a point north. How does that affect the farmer?

Mr. BUTTERWORTH. It would have the same effect upon the farmer as the admission of Texas or Kansas into the Union.

Mr. FLOWER. In opening 3,000,000 square acres of land with only one to the square mile put in competition with him.

Mr. BUTTERWORTH. There is nothing in this bugbear of destructive competition on this continent. I speak of the country north of the Rio Grand, as my bill relates immediately to that. If there is anything in it so destructive, as some gentlemen seem to think, the system of economy which nature ordained, which is of divine origin, is not worthy of respect.

Mr. CARLISLE. Suppose you annex Canada.

Mr. BUTTERWORTH. Exactly. I am coming to that in a moment. In this statement here I show the condition of trade with the 51,000,000 of people to the south of us. Now, we all agree that it is desirable to extend our territory and multiply the facilities of our people, to fight the battle of life successfully and have the opportunity to do it, and that is what this bill proposes.

CONDITIONS WHEN A PROTECTIVE TARIFF HAS NO OFFICE.

Now, what are the objections? In the first place, it is well known to this committee that I am an earnest Republican, that I am a protectionist with somewhat ultra tendencies, and as such I lay down the proposition on which I stand, and on which I have stood since I have known anything of political economy, that in the presence of equal opportunity, equal conditions, a protective tariff has no proper or honest office to perform and never had, and the fathers of this Republic, and those who in an early day advocated protection, never believed it had and never so said.

As between Canada and the United States there is not a gentleman present who does not know that from every stand-point in the field of industrial competition we hold the reign of vantage. Now, what would result from this competitive trade? Across the border and near by you may obtain iron ore which you need in New England, and also coal which you need. In fact, there are various supplies of raw material just at hand, but across the line, that could be utilized in that great hive of industry, New England.

What is the objection to permitting you to exchange that which you want to sell for what they have and which you need? Why, it is said that Canada will come in competition with us in every field of industrial effort. So say some of the manufacturers. So say some of the farmers. Why, gentlemen, that can be no valid objection. If it is the object of Government merely to restrict competition, will you tell me

where you will begin and where stop? What a strange idea has grown up among certain gentlemen touching the power and duty of the Government in the matter of restricting competition, as if it was the office of legislation to limit or destroy competition, because, forsooth, it is found just across an imaginary line and without our own territory. The free-trader insists that there shall be unrestricted and unlimited competition without regard to its character or nature. The protectionist says: We consent to unlimited competition so long as it has the condition and quality of fairness. Those protectionists who maintain that it is the proper function of the protective policy to restrict, if not absolutely destroy, all that competition which we call foreign, are, in my judgment at least, very far from a right apprehension of the true spirit and philosophy of protection.

INJURIOUS EFFECTS OF A RESTRICTIVE POLICY.

If it is well, and in accordance with sound economic principles, to restrict or prohibit competition, without regard to its character and condition, and if such restriction results advantageously, probably some learned pundit will explain to me why we should not hasten to divide the United States into, say, eight or ten divisions, and let each one establish a protective tariff as against the others, and thus by narrowing competition and developing the resources of each division under that restricted competition grow rich. Nothing is further from the true spirit of the American policy than to abridge opportunity by limiting facilities. The real office of that policy is to make opportunity equal, and, as I have said before, make competition fair, just, and humane.

I do not mean by making opportunity equal that we should or could place all competition on an equal footing with reference to raw material, source of supply, equality of skill, ability among workmen, and the like; that would be impossible, and the attempt unjust and unwise; but to remove such inequalities as can be reached by legislation without founding or sustaining monopolies.

The influence of competition is the same, whether it be on one side of an imaginary line or the other, whether it be in Ohio or Ontario; but so long as the competitors enjoy equal opportunities nothing is more healthful, and no condition could be more in the interest of the mass of the people than that that competition should be unrestrained, whether it be in the matter of production or in the matter of the sale of that which is produced. Why, if I am wrong about this, it must follow logically that the true interest of New York and Pennsylvania and Ohio would be, since they possess abundant resources, coal, iron, and those materials needful for the uses and purposes of this existence, to draw a line around their territory and erect a tariff wall as against the other States of the Union and the rest of the world. Other sections could do the same with obvious advantage. If the wiping out of competition can bring prosperity to the people, and if this restrictive policy is sound, the admission of Texas into the Union, the acquisition of Florida and the Territory of Louisiana were grievous blunders on the part of our fathers.

BENEFITS THAT WOULD RESULT TO FARMERS.

It is suggested that the farmers of this country would find themselves in the vocative if the agricultural products of Canada were admitted to the United States. It is difficult to hear with patience such a statement. The farmers have for many years been participating in wronging themselves. The idea is, I suppose, that it is the duty of the Government to create a famine in order to supply a market; but aside from all that the experience of our own country abundantly proves that in the matter of competition we find our most healthful prosperity, not only so far as agriculture is concerned, but in every possible direction and department of industrial effort. Any one who will study with care the statistics of the development and growth of his country will see how absurd the suggestion of danger to the farmer is.

I have studied with care the objection that is now urged against unrestricted reciprocal trade between Canada and the United States as viewed from the stand-point of supposed dangers which would threaten agriculture and manufacturing interests. The same objections might have been urged years ago in the interest of the wheat-growers of the Genesee Valley. Their prosperity must have been destroyed when the valley of the Miami and the great valley of the Wabash and the still greater valley of the Mississippi sent their supplies of grain into the market. But is the Genesee Valley less prosperous or is the Ohio Valley less prosperous than before wheat was grown in the great valleys of the Wabash and the Mississippi? Not at all. The wheat-fields have moved farther west, and there has been an adaptation of means to ends and instrumentalities to the wants of the people. What is urged in regard to agriculture was seriously suggested as a fatal objection to unrestricted trade with Canada by the manufacturers when I first began to discuss this question.

INFLUENCE OF COMPETITION IN THE GROWTH OF MANUFACTURES.

"I was at some pains to study the influence of the growth of competition between the sections of the United States so far as manufacturers are concerned. I found that Ohio and Illinois had scarcely entered the list as great manufacturing States (competitors of the East, if you please) before the war; but it may be said of those two comparatively young States that they suddenly bounded into the arena, and Ohio pushed to the front and soon became the third manufacturing State in the Union, and Illinois was close by her side. What was—what is the result? If there had been anything destructive in this competition, which seems to be so much feared by our manufacturing friends in Canada and the United States, New England would have become a desert and New York and Pennsylvania would have been full of empty shops and idle factories. Now, mark the fact. In 1880 those two States, Ohio and Illinois, poured into the reservoir of manufacture supplies more in value and quantity than were produced in 1850 by every State east of the Alleghenies and north of the Potomac; I mean all of New England, New York, Pennsylvania, New Jersey, Delaware, and Maryland.

I looked then to ascertain what the influence of this vast addition to the storehouse of supply from Ohio and Illinois had been upon the industries of the East. Was there any evidence of paralysis in New England, or in Pennsylvania or New York? Were their industries suffering? Not at all. I found the exact reverse to be true, and that each one of the States of the East was enjoying a greater degree of industrial prosperity than ever before. I am asked why is this so? How can it be so? I answer first, that the record discloses that it is so, and, second, that the demand has multiplied over and over again and the supply has kept pace with it. I do not deny that it is possible to overproduce, but it is true at the same time that with an abundant supply we use vastly more of everything, even of bread and meat; and it is also true that overproduction is vastly less dangerous and hurtful when it is the result of the joint efforts of the many than when it results from the efforts of the pampered few.

INCREASED FACILITIES WILL PROMOTE COMMERCE.

But touching overproduction and consumption, it will be observed that with increased facilities and consequent increased supply we use not only that which is necessary in life in larger measure, but we add to that those things which increase our comfort; and, again, we supplement both by seeking that which is ornamental; and whereas in the presence of restricted opportunity and limited supplies we seek merely what is necessary, in the presence of multiplied facilities and larger opportunity we go beyond that and seek all those things which tend to add to our comfort and increase our happiness, by obtaining the luxuries of life; I mean not those things which are evidences of mere extravagance, but that which tends to cultivate the ideal, the beautiful; that which pleases the eye and ear and tends to cultivate, refine, and ennoble mankind. Multiplied opportunities is what we desire in this life. I may repeat again: If there was anything so disastrous in the mere matter of competition New York would to-day stand as a witness of the fact, and a solemn warning of the dangers that result from the influence of competition. But what do we see? Why the industrial pursuits which were a source of immense revenue, which were at one time in that State its main stay, found her grandest opportunity and unexampled prosperity in the very competition deprecated by so many persons. When we pass the line of needed protection we enter the domain of odious subsidies, of bonuses, the influence of which would be partial and unjust, a forced tax on the many for the advantage of a few. This would be plunder, not protection.

Now, as my friend Mr. Carlisle has suggested, suppose Canada had been a part of the Federal Union, and she came near it, for had it not been for a little clause in the treaty of 1763 between England and France, by which certain religious privileges were secured to the French citizens of Canada, the Dominion to-day would have been a part of this Federal Union. And suppose it had been, will anybody pretend to say that we would have suffered by reason thereof, or that we would not have been richer, our opportunities larger by great odds, than we are to-day? If not, on what pretense did we acquire Louisiana and Florida and Texas, at the cost of blood and treasure? And what prompted the statesmen of our day to purchase Alaska? Certainly nobody would claim that we were suffering from competition north of the line which divides us from the Dominion if that northern section only formed a part of the Federal Union.

But it is said that Canada would derive advantages which Texas does not, because Texas contributes to the support of our Government while Canada does not. If that had anything to do with the question, which it has not, it would be sufficient to say that the Federal Government pays out for the benefit of Texas \$3 for every dime she raises from that State, and the same may be said of many of the States and

Territories. I am surprised to find that some persons are disturbed because Canada will derive some advantage from the proposed arrangement.

Mr. CARLISLE. If the trade between the United States and Canada is beneficial to the United States, why should we complain if it is also beneficial to Canada?

PARTISANSHIP VS. STATESMANSHIP.

Mr. BUTTERWORTH. We should not; but the trouble is, Mr. Carlisle, that partisan politics rather than statesmanship may guide in this matter. There are a few manufacturers, who would suppress all competition at home as well as abroad if they could, who are potential in certain Congressional districts along the border. These, joined with a handful of fishermen and farmers near the line, and holding in some measure the balance of power, could control the economic policy of a nation, and are potent to shape the destiny of sixty millions of people. We must cut loose from mere partisan politics and local selfishness in dealing with questions of this character, and appeal to broad statesmanship, which solves problems of state, not merely for the approaching fall election, but for the century, and for the paramount and lasting good of the whole people.

How little our people know of Canada and her exhaustless resources. There is not a river in Canada, nor a lake along our border, nor a mountain range, nor any natural highway of commerce that does not plead for unfettered commerce between the two nations. United as we are indissolubly by race, language, traditions, similarity of institutions; separated only by an arbitrary imaginary boundary line, irregular in its course; with Canadian territory running down 500 miles into the heart of the Republic, and the United States territory extending up on the east and west so as to almost inclose the main part of Canada; with our great lines of transcontinental commerce running through the Dominion, and in turn their lines of transcontinental commerce running through the United States; with the natural products of each country supplementing those of the other; with vast quantities of ore and fuel just across the border, which the furnaces and mills of New England require, and per contra, a demand in Canada for what New England produces. I assert without hesitation that the evidence at the command of the committee and the House can leave no doubt that the present controversy about the fisheries and hampering trade restrictions between the United States and the Dominion of Canada are the result of the efforts of a few individuals in one locality and the selfishness and avarice of a few individuals in another locality, all supplemented by ignorance on the part of the multitude of the real interests at stake. It is interesting to observe a Yankee commanding a fishing-smack manned almost exclusively by Nova Scotians but carrying the American flag, and crying out for the better protection of American (?) fishermen. And we are urged to "protect the fishing interest because our fisheries are the nursery of American (?) seamen." No greater folly has been committed against the rights of the American people than our persistent maintenance of a controversy about the fisheries. Every cod-fish ball or piece of salt mackerel has been doubled in the matter of cost to the consumer in this country on the plea that we were maintaining a nursery of American seamen; that American fishing interests would suffer in the presence of unrestricted reciprocal trade in that behalf between ourselves and Canada; and yet the fish we buy are caught in the main by Canadians or Nova Scotians, which is the same thing, in the employ of American capitalists.

PRODUCTS OF THE FOREST AND MINE.

The same ridiculous and absurd management has characterized our course in the matter of levying a duty upon logs and lumber to protect an American industry. Nothing can be more shocking to every just principle of protection than our course in regard to the forests. The idea of protection is to multiply and develop the industries protected, and yet every man must see that the more our forests are protected the sooner they perish and disappear from the face of the earth. There is an idea also that it is unpatriotic to buy coal which is dug from the bowels of the earth anywhere except within the United States, and all this pretense is said to be in the interest of American industry and American labor; and yet, if you will go down into the coal mines in some localities it will take a search warrant to find a man that can talk the English language or has any knowledge of or conscious sympathy with our constitutional Government. In one part of the country we will find Chinamen employed, in another part unnaturalized Poles and Hungarians and Sicilians, and all this on the false pretense that we are protecting American labor.

The same thing may be said in regard to our copper mines. To-day, or certainly until recently, our own citizens were compelled to pay more for *American copper* than the citizens of any other nation on the earth were asked to pay for copper taken from American mines; and we have upheld and continue to uphold that grasping monop-

oly, on the false assumption that in some way it inured to the advantage of the people at large; and this we did, although a rich abundance of ore, belonging possibly to the same lead, just across an imaginary line from the United States offered a supply that would have prevented extortion. The same thing has been true of nickel, and in a large measure true of sugar. The fact is that we overlook the larger interest at stake, which involves the rights and interests of sixty millions of people; for it must not be forgotten that where one single dollar is needlessly taken in the shape of taxes, no matter how or where, it becomes in a degree a drain, a constant drain, upon the pocket of every man in the country. The consumer is the man who pays the taxes, and John Smith, who gets \$1.50 a day, consumes as much of certain articles as John Brown, who may have an income of as many dollars an hour.

ABUSE OF THE PROTECTIVE SYSTEM.

I speak of these things, Mr. Chairman, because I believe that the restrictions that are put upon trade in certain directions have not had, nor were they in every case by those who advocated their imposition intended to have, in view the interests of all the people, unless by the people we mean the few favored individuals. He is an enemy of the protective system who would use it merely to arbitrarily suppress competition. Its aid was never invoked by the fathers for such a purpose, and such abuse of the principle will insure its speedy overthrow. I am justified in adopting this view and employing this language not only from facts that are obvious to all of us, but for the reason that this was the view of those whom we are accustomed to call the fathers, whose patriotism was not doubted, and whose political sagacity has not been seriously called into question. What is here proposed by the bill I have introduced found favor with such patriots as John Quincy Adams, Abraham Lincoln, Robert C. Winthrop, John J. Crittenden, Robert C. Schenck, Rufus Choate, and men of their day and generation. In 1848 a bill, in every respect on all fours with the one I have introduced, passed the House of Representatives, of which Robert C. Winthrop was Speaker, without a dissenting vote, so obvious were the advantages that would result from the adoption of the measure. That House was composed of 107 Democrats and 117 Whigs if my memory serves me correctly; however, the record will disclose. The bill was briefly discussed in the Senate, and there a question arose as to whether individual interests might not suffer if the multitude was blessed by the adoption of the measure, and the concern of some seemed to be for the few as against the many. However, before final action was taken in the Senate the session reached its close.

Very soon thereafter an arrangement less advantageous to the United States was made, and was known as the reciprocity measure of 1854, which continued in force until 1866. A great hue and cry has been raised against the operation of that treaty, it being asserted that the United States was the loser. The outcry had less of patriotism than selfishness in it. The record discloses how utterly unfounded it was. It was raised in the interest of selfishness and continued in the same interest. So far from the balance of trade being against us under that treaty, the balance-sheet shows that it was in our favor about \$60,000,000, and it would have been enlarged but for the unfortunate occurrence of the war. I submit that the patriotism of General Grant has not been called into question, and he proved himself not only a soldier, but a statesman. Aided by his able Secretary, Mr. Fish, he negotiated a treaty with the Dominion of Canada, the Hon. George Brown and Sir Edward Thornton acting for the Dominion, which had for its object all that is proposed in the bill you have under consideration. It evinced a spirit of true patriotism and broad statesmanship. It provided for opening up certain channels and arteries of trade, so that our commerce might be not only unfettered so far as law is concerned, but might have its natural highways, such as rivers, lakes, and canals improved in the interest of the people on both sides of the line. This treaty, which was indeed worthy of the great man who negotiated it, reached the Senate too late for action. But still it is proper to say that that action was delayed by those who represented individual interests in certain localities rather than the larger interests of the whole people.

OBJECTIONS TO RECIPROCITY CONSIDERED.

It will be urged, of course, and is, that the arrangement could not be practically carried out with Canada. That in fact would open up a highway for English goods to the markets of the United States. This objection originates in ignorance, or else is not offered in sincerity. Gentlemen that know anything about it must admit that Canada must have revenue. Her tariff schedule is now about on the same plane as our own, and would certainly not be lowered. It is far more likely that ours will be lowered than that she will scale her tariff. With access to our markets, Canada would purchase of us what she now purchases in the main from the Old World; she would have every reason which self-interest and honorable conduct would prompt to

protect her revenues, and it would be a brave man who would run the gauntlet of the Canadian custom-houses and then the gauntlet of the American custom-houses to get any advantage that could be derived from the difference between the value of the articles in Canada and the United States. The bill relates solely to articles grown, manufactured, and produced in the United States and Canada, as the case may be.

There is positively no danger on the score suggested. It might not be amiss to call attention to the fact just here that the gentlemen who discovered such danger where there is none are utterly unable to find themselves apprehensive as to a similar result in the case of unrestricted reciprocity of trade between the States of South America, the West Indies, Mexico, and the United States. It is said, "If Canada wants to share the advantages of our commerce and trade, let her come into the Federal Union." Very well, she would do well to come, but we need not refuse present obvious advantages, because the Dominion is not so situated at this time as to avail herself of a larger advantage which she would find in becoming a part of the Federal Union. The idea of starving Canada, as some propose, into an assimilation with us is not the suggestion of statesmanship nor in harmony with the civilization of the age; nor is it calculated to induce the pleasant condition of things that the gentlemen desire.

DANGERS THAT THREATEN PROTECTION.

When we shall become one commercially, by reason of unrestricted trade and commerce, and our Canadian kinsmen shall pitch their tents with us, and thousands of our people, millions if it comes to that, shall find advantageous opportunities across the border, we will be practically one people for all the proper purposes of this life. And when the time shall come and an attempt be made to tear us asunder that attempt will be futile. I insist as a Republican and a protectionist, that if the narrow-gauge policy suggested by some distinguished gentlemen is adhered to, the protective wall all around the United States will be thrown down, except for purposes of revenue, and we will be brought to a realizing sense that the protective system is to impart the quality of fairness and humanity to competition, and not to destroy it in the interest of combined and aggregated wealth. Unfortunately, as the world goes, Congress is not likely to take an affirmative action on any given proposition until the wild clamor from the people in its favor fairly lifts members from their feet, and then the sound must be absolutely certain and clear before they will consent to act.

Gentlemen will discover before our party is many years older that we are fast running upon the rocks by continuing to abuse a policy wise in itself, but which may be so persecuted as to be condemned by three-fourths of the people who thoroughly understand it. I insist and shall continue to insist that the policy which has sole reference to certain conditions, which impart to the competition where those conditions exist the leaven of injustice, inequality, and inhumanity shall not be applied where those conditions are not found. Nor am I for one content to remain deaf and silent in the midst of this conflict, awaiting for favorable winds to blow me to a harbor of political rest, setting my sails after the current of the trade-winds has become obvious and their course and force manifest.

NO REASONS FOR RESTRICTING COMMERCE.

In conclusion, I submit that there is no reason known to sound, economic principles which should delay the passage of this bill or one similar to it in its provisions; that there is no sound, economic reason for abridging our trade with Canada, restricting our facilities, and thus narrowing the opportunities of our people. Whether or not in the presence of our ability to produce we have supplies beyond what is required has nothing to do with the case except to suggest the necessity of more room and broader opportunity as a result of multiplied facilities.

The United States has found its safety less in the devotion of its present population to our institutions than in its broad acres and the resulting freedom from attrition in the many conflicts of interest incident to this life. If unrestricted commerce is good for half the continent, it is good for all of it. I do not stop to consider the question as it relates to Mexico, and the South American States; those are questions apart. I may say, however, that Mexico could not enter into such an arrangement, for it would absolutely destroy her revenues; and this is the testimony of her representative men who are here to speak for her. Nor is that all, there is a difference of race, language, and institutions. However, when those questions come up, I am quite ready in the spirit of fairness to consider them. I hope this committee will report this bill before the House, with or without recommendation, as they may deem best. I have spoken with some plainness, because I have found nothing else will do. To stick in the bark of the question has no other result than to kill time and offer opportunity for rhetorical exercise, and I do not desire to do the one nor participate in the other.

