

**PLEAS FOR
PROTECTION
EXAMINED**

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Pleas for Protection Examined by Augustus Mongredien

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AUGUSTUS MONGREDIEN

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BY

AUGUSTUS MONGREDIEN,

Author of,

"Free Trade and English Commerce," &c.



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PREFACE TO THE PRESENT EDITION.

THE following pages were first published in February, 1882. They formed part of a larger work, entitled "Wealth Creation," on which I was then engaged, and which was subsequently published in September of the same year. It was deemed desirable at the time to issue in a separate form the matter contained in the present work, as setting forth and refuting the most plausible of the pleas which the advocates of Protection put forward in its defence.

I have endeavoured to state those pleas fully, clearly, and lucidly. I then proceed to point out, as logically as I can, the fallacies, either in the facts or in the arguments, which render those pleas inadmissible.

Both the *pros* and the *cons* are thus placed before the truth-seeking inquirer, and it is for him conscientiously to exercise his judgment and draw his own conclusions.

AUGUSTUS MONGREDIEN.

FOREST HILL, S.E.,

December, 1887.

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PLEAS FOR PROTECTION EXAMINED.

CHAPTER I.

Introduction: 1. International debts not paid in specie. 2. All commerce is barter.

It is marvellous how unanimous in England is the assent to the abstract theory of Free Trade. It is equally marvellous how many of its professed votaries, while they extol that theory, object to its practice. They loudly abjure the name of "Protectionists," but adhere to the thing "Protectionism." They are Free Traders with "ifs" and "buts." This is their plea: "We are doctrinally as thorough Free Traders as that incarnation of the Cobden Club, Thomas Bayley Potter himself; *but* only under certain circumstances—only *if* all other countries become Free Traders as well as ourselves." So that, according to these notions, truth is bound to remain in practical abeyance until it is universally acted on! As long as it is not practised by everybody it must be practised by none! It is most salutary to mankind if all mankind adopt it, but it is injurious as long as only a portion of mankind adopts it! A curious paradox, showing how the same thing may at the same time be both true and false!

The fact is that these "if" and "but" Free Traders are simply Protectionists under the pseudonyms of Reciprocitarians, Fair Traders, and what not. Vain is their reluctance to admit that they are Protectionists. The test that shall draw the line between true Free Traders and sham Free Traders is simple, and of easy application. Free Trade does not allow of any import duties being imposed on such

articles as are likewise produced at home.* Protection does. Here is, in a few words, the radical difference between them, and that difference is clear and definite. Free Trade lays down a broad general principle. Under it no protection is given to home industries, the entire amount levied by import duties goes to the revenue, and our market is freely and fully open to foreign competition; Under Protection, the import duties imposed are protective; of the duties levied, part goes to the protected native producer, and only part to the revenue, and foreign competitors are handicapped in our market to the extent of those duties. The distinction is, we think, clear and unmistakable. Which of the two systems is the best is not the question now before us; we have discussed that before, and shall discuss it again. At present we have only to point out the plain line of demarcation that divides Free Trade from Protectionism, and to ask to which of the two does Fair Trade belong. The reply is obvious. The very thing which Fair Trade proposes to do is to impose import duties on some of the foreign articles which are also produced at home. This is also the very thing which Protectionism in its old form did and does; therefore the two are identical.

What those foreign articles are which Protectionism, under the guise of Fair Trade, proposes to tax its advocates are not agreed, but they are determined to tax something, and the majority seem inclined for a 5s. per quarter import duty on wheat. That is the proposal that "divides them least." Be this as it may, the essential and distinctive programme of the so-called Fair Traders is to impose protective import duties. They are, therefore, to all intents and purposes Protectionists. They may call themselves by another name, but they advocate the same fiscal measures, and adduce the same arguments to advocate them. We shall therefore use the old denomination of Protection and Protectionism as embracing all classes of opponents to Free Trade, whether to its principles or to its practice.

* The article "spirits" is an apparent, but not a real, exception. The import duties levied on foreign spirits are the exact counterpart of the Excise duties levied on home-produced spirits. Thus foreign and native distillers are placed on exactly the same footing.