

**FREE TRADE AND PROTECTION. AN  
INQUIRY INTO THE CAUSES WHICH  
HAVE RETARDED THE GENERAL  
ADOPTION OF FREE TRADE SINCE  
ITS INTRODUCTION INTO ENGLAND**

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Free trade and protection. An inquiry into the causes which have retarded the general adoption of free trade since its introduction into England by Henry Fawcett

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**HENRY FAWCETT**

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AN INQUIRY INTO THE CAUSES WHICH HAVE  
RETARDED THE GENERAL ADOPTION OF FREE TRADE  
SINCE ITS INTRODUCTION INTO ENGLAND.

BY  
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## P R E F A C E.

IN the autumn of last year I delivered at Cambridge a course of Lectures on Free Trade and Protection. One of the chief objects I had in view was to endeavour to explain the causes which have retarded the progress of Free Trade, and which have enabled Protectionists still to occupy so strong a position on the Continent, in America, and in many of our Colonies. I first thought of publishing these Lectures almost in the form in which they were delivered; but I afterwards came to the conclusion that it would be better, for many reasons, to adopt a different arrangement, and I have consequently divided the book into six chapters.

I have had occasion frequently to refer to Mr. Frederick Martin's *Statesman's Year Book*, and I have also derived great assistance from the admirably-arranged *Statistical Abstracts* which are published annually by the Board of Trade. Whenever I have required additional information bearing on the subjects to which these Abstracts refer, it has always been most readily supplied to me by two



gentlemen holding official positions at the Board of Trade—Mr. Edwin J. Pearson, and Mr. Robert Giffen, the well-known economist and statist. I desire here to acknowledge their kindness, and to offer them my sincere thanks.

I also wish to say how much I appreciate the assistance I have derived from my wife, who has revised the book as it was passing through the press, and from my Secretary, Mr. F. J. Dryhurst, who has not only acted as my amanuensis, but who has constantly aided me in various ways, and has prepared a summary of contents, which I believe will prove useful for purposes of reference.

*May 1878.*

## SUMMARY OF CONTENTS.

### CHAPTER I.

#### INTRODUCTORY REMARKS.

THE expectations, formerly entertained in this country, that the example of England in adopting a free-trade policy would be followed by other nations, have not been realized.—Nothing is more likely to retard the cause of free trade than to underestimate the strength of the opposition to it, and to ignore the arguments of its opponents.—The adoption of free trade in England was hastened by the fact that protection was most strictly carried out with regard to agriculture, and consequently its most obvious result was the rise in the price of food; while, in other countries, protection is almost entirely confined to manufactured products.—The abolition of protection may cause much suffering and loss to those employed in the industries which have been brought into existence through protection.—This loss corresponds to that which is caused to workmen who possess special manual skill in any handicraft, if the necessity for their labour is superseded by the invention of a machine.—The motives which have prompted the opposition to the introduction of free trade in America and other countries are analogous to those which have led workmen employed in certain trades to resist the introduction of machinery.—The adoption of protectionist principles in the Colonies has been encouraged by the opinion expressed by Mr. Mill, that the imposition of a protective duty, with the view of promoting a new industry in a recently-settled country, may be justified as a temporary expedient.—Protection in the Colonies has also been promoted by the fact

that the gold discoveries in Australia attracted thither large numbers of operatives and artizans from England, who, finding gold-digging to be less remunerative than they had anticipated, welcomed any proposal to establish, by the aid of protective duties, those industries to which they had been accustomed.—The industrial prosperity of England not entirely due to her adoption of a free-trade policy.—Among other causes, the development of our railway system and fiscal reform have contributed to bring about this prosperity.—Other arguments are necessary to advance the cause of free trade besides the appeals which are continually made to the growth of trade and accumulation of wealth in England.—The benefits conferred by free trade are apparently still imperfectly understood in England.—Some of the strongest supporters of free trade not unfrequently display a tendency to favour some form of industrial restriction.—This tendency has been recently illustrated by the disposition shown by English workmen to resist the introduction of foreign labourers into this country.

*Pages 1—16*

## CHAPTER II.

### PROTECTION.

#### PART I.—*Bounties on Exports.*

Protection has been in recent times supported with the object of giving assistance to home industry, and has been chiefly carried out by giving bounties on exports and imposing restraints on imports.—The system of encouraging exports and discouraging imports was a product of the mercantile system, and was originally adopted with the object of securing a "favourable balance of trade."—Protection is now chiefly carried out by imposing import duties; bounties on exports are, however, occasionally granted at the present time.—Formerly, bounties on exports were as general in England as protective duties on imports.—The effect of the bounties on the export, and restraints on the import, of corn which formerly prevailed in England.—Examination of the effects produced by the bounty given on the export of sugar from France.—This bounty simply enables the English people, and