

A fairy ring, they sway, they swing,
 Where'er the wayward west wind wills;
 They time the melody of spring,
 Those golden, golden daffodils.

Fair stars of May, they light the way,
 Till I forget life's wintry ills,
 For, oh, I see my darling stray
 Adown among the daffodils.

Her hair is goldener than they,
 Her laughter all my pulses thrills;
 Ah, fleeting mirage of the May,
 She wakes not with the daffodils!

Laura U. Feuling.

WHO PAYS PROTECTIVE DUTIES?

THE subject of Protection, in one form or another, for three generations has agitated the American mind and occupied the attention of the American Congress. Conflicting theories have met, not as abstractions, but in the field of practical legislation.

The statesman providing revenue to meet national expenditures must determine whether duties should be fixed at the lowest or at the highest rate that will give the necessary amount. Shall he consider revenue or protection as the principal object of tariff duties? Which shall be the chief purpose, and which the incident? A half century ago this began, and for many years continued, to be the absorbing thought and theme in American politics. The Northern enthusiasm during the free-soil campaigns, and the passions of the later war issues, aroused hardly less political excitement than when Henry Clay, the ablest champion of protection, vainly stirred the hearts of the people in its advocacy and defense. For brief periods his views controlled national legislation, but were never permanently established as the national policy.

Prior to the late war, the protective system received legislative recognition in only thirteen out of seventy-three years. Except during the periods from 1824 to 1833, and from 1842 to 1846, revenue was the chief object and protection the incident. In the memorable tariff contest of 1844, protection was signally overthrown, and in its place the tariff of 1846 established a revenue system that was vainly assailed for fifteen years, was changed only to satisfy the necessities of the treasury, and was further augmented to meet the enormous expenditures of the civil war. Nor even now can protection claim to have become the national policy. Most of the present excessive and in some cases prohibitory duties were not, when imposed, above the revenue rate.

Congress is again addressing itself to the revision of the tariff; the old strife is renewed; resistance, as heretofore, is made to any reduction of duties. It is urged that a protective tariff imposes no real taxation upon consumers, because, first, the duty is paid by the foreign producer seeking our market to compete with the domestic manufacturer; and sec-

ond, because prices are ultimately cheapened thereby, and the consumer gets his goods at a lower instead of an enhanced cost. It is further alleged that no industry is benefited at the expense of another, for by the diversification and employment of labor a better home market is afforded and the consumption of all products increases.

On the other hand, it is contended that the burdens of tariff taxation and the benefits of protection are unequally distributed to different sections and different industries; that in so far as a duty is protective, the prices of imported and of protected articles of the same kind are enhanced; and thus on the imports a tax, and on the domestic article a bounty, is collected from the consumer, only the former of which accrues to the treasury, while the latter goes to the domestic producer. These questions are to be determined after a careful examination of all the facts and logical consequences that must arise from them. It will not do to take an isolated instance; the whole field must be explored, and, if possible, causes that may have produced the given result must be ascertained and their effect estimated. Minds free from bias or unaffected by interest, it would seem, should come to the same harmonious conclusion. In such spirit let us array some facts exhibiting the effects of tariff laws upon the industry of the country.

Who receives the benefits of protection? How large are the interests, and how many receive the special fostering care of the government? The advocates of high duties claim to be the champions of national industry. How does their system affect the workers of the country?

AMERICAN LABOR.

The examination must not be confined to any selected narrow fields of industrial employment. American labor is not limited to special pursuits; it comprehends all the vocations which utilize and require the brain or muscle, skill or toil, of our people.

All employments, considered in their relations to foreign competition, may be classified into three divisions: one of these encounters foreign competition in the domestic market, another in the foreign market, while the third is unaffected by it in either.

In the first division will be found the so-called protected industries, which meet foreign products similar to their own in the home markets.

In the second are the producers of exportable commodities exchanged abroad for foreign products.

The third includes those engaged in local trades and industries, inland transportation, personal service, and professions.

Foreign and domestic labor cannot come in competition unless engaged in producing similar articles capable of transportation. The great body of workers whose pursuits require personal or local service, such as builders of all kinds, teachers, merchants, shoemakers, tailors, blacksmiths, clerks, porters, and house servants, and the long list of occupations and professions necessary for the business and convenience of every community, can have no direct foreign competition. They neither require protection nor can be protected, unless against foreign immigration. Neither can those engaged in producing articles exported in whole or in part be protected against competition in foreign markets. The competition abroad determines the price of the exported surplus, and lessens the price at home. The serfs of Russia, the peasantry of France, the coolies of India, compete with the American laborer, farmer, and planter, at the cattle, corn, and cotton exchanges of Great Britain and Europe. The benefits of protection, therefore, directly accrue to none but those engaged in the few industries meeting foreign competition, while the burdens imposed upon consumers must fall upon all classes, though not in equal degree.

The inequality and favoritism of this discrimination are exhibited by the census returns. There are three leading manufacturing industries which are de-

manding and now receiving protection to a greater or less extent. They numbered in 1870, as shown by the census reports, —

| Manufactures. | Number employed. |
|-------------------------------|------------------|
| Cotton manufactures | 135,309 |
| Iron and steel | 139,982 |
| Woolens and carpets | 105,071 |
| Total | 380,422 |

Contrast their number with these non-protected employments:—

| | |
|---|-----------|
| Blacksmiths | 141,774 |
| Carpenters and joiners | 344,596 |
| Boot and shoe makers | 171,127 |
| Railroad employes | 154,027 |
| Draymen, hackmen, and teamsters | 120,756 |
| Clerks in stores | 222,504 |
| Teachers | 126,822 |
| Masons | 89,710 |
| Painters | 85,123 |
| Carriage and wagon makers | 42,000 |
| Total | 1,448,434 |

Take the aggregate of the whole number engaged in metals and textile fabrics, and note how small a proportion of all occupations are employed in these industries. The census again gives us their relative numbers as follows:—

| Occupation. | Number employed. | Percentage. |
|---|------------------|-------------|
| All occupations | 12,505,923 | |
| Total agriculture | 5,922,471 | 0.47 |
| Total cotton, iron, steel, woolen, and worsted manufactures | 380,422 | 0.03 |

In every division of labor each consumer will, if possible, fully compensate himself

¹ John Quincy Adams, when a member of the house of representatives in 1832, in a report made by him as chairman of the committee on manufactures, discussed this question, and though himself a moderate protectionist said, —

“The doctrine that duties of import cheapen the price of the articles upon which they are levied seems to conflict with the first dictates of common sense. The duty constitutes a part of the price of the whole mass of the article in the market. It is substantially paid upon the article of domestic manufacture as well as upon that of foreign production. Upon one it is a bounty, upon the other a burden, and the repeal of the tax must operate as an equivalent reduction of the price of the article, whether foreign or domestic. We say, so long as the importation continues, the duty must be paid by the purchaser of the article. . . .

“The incidental effect of competition in the mar-

ket, excited, on the part of the domestic manufacturer, by the aggravation of duty upon the corresponding article imported from abroad, to reduce the price of the article, must be transient and momentary. The general and permanent effect must be to increase the price of the article to the extent of the additional duty, and it is then paid by the consumer. If it were not so, if the general effect of adding to a duty were to reduce the price of the article upon which it is levied, the converse of the proposition would also be true, and the operation for increasing the price of the domestic article would be to repeal the duty upon the same article imported. — an experiment which the friends of our internal industry will not be desirous of making. We cannot subscribe, therefore, to the doctrine that the duties of import protective of our own manufactures are paid by the foreign merchant or manufacturer.”

WHO PAYS PROTECTIVE TARIFF DUTIES?

In the early discussions it was admitted by intelligent and ingenuous protectionists that the effect and purpose of protective duties were to give the domestic manufacturer a better price, and that the consumer of dutiable imports paid the duty imposed by a protective tariff.¹ But the system was defended on the ground that manufacturers needed aid while establishing their business, and then would take care of themselves and defy competition. This defense and these assurances were repeated from generation to generation.

Of late, however, it has been claimed for protection that it is not a tax upon one industry for the benefit of another industry; for its design is to impose taxes upon foreign producers, that do-

ket, excited, on the part of the domestic manufacturer, by the aggravation of duty upon the corresponding article imported from abroad, to reduce the price of the article, must be transient and momentary. The general and permanent effect must be to increase the price of the article to the extent of the additional duty, and it is then paid by the consumer. If it were not so, if the general effect of adding to a duty were to reduce the price of the article upon which it is levied, the converse of the proposition would also be true, and the operation for increasing the price of the domestic article would be to repeal the duty upon the same article imported. — an experiment which the friends of our internal industry will not be desirous of making. We cannot subscribe, therefore, to the doctrine that the duties of import protective of our own manufactures are paid by the foreign merchant or manufacturer.”

mestic consumers may obtain cheaper commodities, and this is its effect.¹ If this is true, the disinterested philanthropy of manufacturers is most remarkable. Since foreign producers pay the tariff tax, the manufacturers can secure no better prices thereby and have no pecuniary interest in the maintenance of the duty. Indeed, as through the tariff tax domestic consumers obtain cheaper commodities, it must be to the manufacturers' advantage to have no duty, so that commodities will not thereby be cheapened and their profits lessened by the lower price. But, either too generous to consider their own good, or ignorant of this great truth, they rush to Congress, and protest that the duties shall not be lowered on products similar to their own, and that there shall be no increase of duty on the material which they must use.

MANUFACTURERS' PROFITS.

If high duties lower prices, they necessarily lower profits. Yet the tabulated returns of dividends upon capital engaged in manufactures show that compared by tariff periods they increase and diminish with the rise and fall of tariff duties. If the consumer pays an enhanced price upon the import, the manufacturer can get a higher price for the similar domestic product, and consequently greater profits and higher dividends. The latter is the actual and logical result of higher prices. Some years ago a table was published, and by annual appendices has been continued, showing the yearly dividends of New England manufacturing companies. Grouped by tariff periods, they show the following average annual dividends:—

| Year. | Average per cent. duty on dutiable imports. | Average dividends for periods. | Remarks. |
|------------------------|---|--------------------------------|---|
| 1832 | 33.8 | 13. | |
| 1832 to 1834 | 32.8 | 11.40 | |
| 1835 to 1836 | 34.3 | 11.75 | |
| 1837 to 1838 | 31.6 | 7.25 | Compromise tariff reduction one tenth biennially to 1841, thereafter 20 per cent. |
| 1839 to 1840 | 30.2 | 6.87 | |
| 1841 to 1842 | 26.6 | 5. | |
| 1843 to 1844 | 32.5 | 12.44 | |
| 1847 to 1857 | 24.1 | 6.33 | |
| 1858 to 1861 | 19. | 6.71 | High tariff. Low tariff. |
| 1862 to 1872 | 44.27 | 12.10 | Low tariff, 24 per cent |
| 1873 to 1875 | 39.20 | 8.30 | High tariff. 10 per cent. reduction |

With reduction of duties profits diminish, increasing with the return of higher rates. The slender store of wealth of the infant industries our fathers consented to aid has swollen to nearly five hundred million dollars of invested capital. The census of 1870 gave as the value of the gross capital in

| | |
|----------------------------------|---------------|
| Iron and iron manufactures . . . | \$198,356,116 |
| Textiles | 265,084,095 |

To the demand for an abatement of the high tariff duties, the consumer is answered: You do not pay them, and you have no grievance. If these industries have grown strong and rich, it is not from your contributions. It is the foreign producer who pays the duty. He keeps up the revenues and relieves you from taxation. The duty is a tax upon

him, and not upon you. He ought to pay for the privilege of selling his goods in our markets.

LOSS THE PRODUCER MUST SUFFER IF HE PAYS DUTY.

If this be true, if by reason of the tariff foreign producers lower prices to the extent of the duty, which averages sixty per cent. on woolens and silks, forty per cent. on cottons, thirty-five per cent. on iron and steel, what enormous profits their business must have previously afforded to permit such reduction! The capital employed in manufacturing in this country is reported for 1870 at about one half the value of the annual product, and the dividends upon manufacturing capital have been annually from three

¹ Industrial Policies, page 59.

to fifteen per cent. in the New England States. In European countries, where the rate of interest is low, capitalists are satisfied with investments that return much lower dividends than here, and the dividends on manufacturing capital abroad probably do not average six per cent. The idea that to continue an unprofitable trade with a foreign country a manufacturer would not only forego all dividends, but actually sink from one fourth to one half of the capital employed in producing the exports to such country, is too preposterous for serious consideration. Out of \$2,000,000,000 of exports in 1874, France and Great Britain sent \$235,000,000 to the United States, upon which our tariff collected \$90,000,000 of duties. What sacrifices their manufacturers made! What losses they endured, if they paid the duty, to retain a footing in our markets! But the \$90,000,000 would be only a fraction of their loss. They have the world for a market and for customers. The concessions and decline in price to compete in our markets would compel a decline in price and entail a proportional loss upon all the exports and entire production of similar goods; for the competition of trade, and at the same time desire for profitable sales, would not long permit discrimination between purchasers, and a market price would be established for all customers.

FRENCH EXPORTS.

In 1872 France exported to the United States textile fabrics valued at \$45,042,959, upon which were paid in duties \$26,000,000. In the next year she exported to all countries goods of the same character, valued at \$193,078,859. Our tariff must, upon this theory, not only have exacted from her people \$26,000,000 in 1872, but have entailed upon them a loss in the succeeding year of nearly \$100,000,000.

BRITISH EXPORTS.

The total exports of Great Britain in 1874, to all countries, were valued at

\$1,098,702,180; to the United States, \$161,195,105. If the British manufacturers saved consumers here from paying the average forty per cent. duty by lowering their prices to that extent on all commodities, the annual loss would be over \$400,000,000. In 1873 the exports from the United Kingdom of manufactures of iron, steel, woolens and cottons to the United States and to all countries were valued as follows:—

| | United States. | All countries. |
|----------------|----------------|----------------|
| Cottons . . . | \$26,093,731 | \$386,318,000 |
| Woolens . . . | 48,016,959 | 153,716,855 |
| Iron and steel | 47,475,263 | 189,656,195 |
| Total . . . | 121,585,953 | 728,691,110 |

If, then, the British manufacturers reduce prices at home as much as the amount of the American duties on the cottons, woolens, and iron and steel exported to the United States, their loss would amount to more than twice the value of these exports sent to our market.

SCOTCH PIG-IRON.

The production and exportation of Scotch pig-iron will clearly exhibit the absurdity of this theory. According to the Bureau of Statistics, in 1870 there was produced 1,206,000 tons of pig-iron in Scotland.

| | Tons. |
|--|---------|
| The United States received of this . . . | 97,170 |
| Germany | 87,101 |
| Netherlands | 68,606 |
| France | 40,000 |
| All other foreign countries | 132,232 |
| England, Scotland, and Ireland | 232,891 |
| Local consumption | 506,000 |

Is it reasonable to suppose that the Scotch iron-masters were selling pig-iron nine dollars less per ton than they would have sold it but for the American duty of nine dollars per ton? Their total loss, then, to place eight per cent. of their product upon the American market for that one year, was not only the \$874,530 duty on the 97,170 tons shipped to the United States, but nine dollars per ton on their entire production, amounting to a loss of \$10,854,000. To have

thrown the pig-iron exported to the United States into the sea would have saved them nearly \$8,000,000!

COMPARISON OF PRICES.

Doubtless the most reliable and satisfactory test is to compare average prices of staple commodities during successive tariff periods. Articles of variable demand or cost of production, and seasons of depression or activity, and particular instances or exceptional cases, cheapened or enhanced through newly discovered patented processes, establish no law and furnish no conclusion. Selected years can prove increase or reduction of price from the same duty. A late table of prices of rolled iron in Philadelphia give price

| | |
|------------------------------|----------|
| In 1864 | \$146.46 |
| In 1876 | 52.08 |
| Reduction of price | 94.38 |

but other years would show price

| | |
|--|---------|
| In 1860 | \$58.75 |
| In 1872 | 97.63 |
| Increase of price from same duty | 38.88 |

Actual experience, the real test, is found in the average of prices during successive periods. But in this investigation it must be again borne in mind that most commodities, especially manufactures, by means of new processes and inventions and the employing of natural forces and machinery, have progressively cheapened for more than a century. Then, the purchasing power of money is not constant, but rises and falls from decade to decade. A new process, protected by patents, unskillfully worked, producing an article in large demand, secures at first a high price, but the price falls with more skillful methods, and as the expiration of the patents occurs. An article like Bessemer steel might be taken, and the price when first made, under a newly discovered patent process, and during great demand, be compared with the price in later years, when continued improvements and further experiments had reduced the cost of manufacture to a minimum. To claim that such reduction of price is the result of

tariff protection is the height of absurdity and impudent assertion. In all comparison of prices allowance must be made for the influence that great modern discoveries and inventions, easier transportation and abundant motive power, have had to cheapen prices from year to year.

Selecting articles of the largest general production and consumption, of quality and description nearly uniform from year to year, what do we find in regard to prices? The data from which to make the comparisons for more than fifty years past have been gathered and preserved in the treasury reports under impartial secretaries like Corwin, Walker, Chase, and Boutwell. Among the monthly quotations of staple commodities are the prices of salt, and of pig and bar iron. Quotations in currency have been reduced to gold value, and average sales and prices taken.

SALT.

The wholesale prices of salt for fifty years in New York city give the following averages under different duties:—

| Years. | Duty per bushel. | Price. | |
|------------------------|------------------|-------------|----------------|
| | | Liver-pool. | Turk's Island. |
| | Cents. | | Cents. |
| 1825 to 1830 | 20 | \$2.34 | 50½ |
| 1831 | 15 | 1.92 | 50½ |
| 1831 to 1842 | 10 | 1.77½ | 37½ |
| 1842 to 1846 | 8 | 1.39½ | 32½ |
| 1846 to 1857 | 6 | 1.24½ | 29½ |
| 1857 to 1861 | 3 | .77 | 19 |
| 1861 | 3 | .73 | 20 |
| 1861 to 1872 | 12 | 1.59 | 33 |
| 1872 to 1875 | 5½ | 1.20 | 27 |

As a rule the table shows that the higher the duty the higher price the consumer pays.

PIG AND BAR IRON.

Grouping prices by tariff periods, the averages are:—

¹ Duty per one hundred pounds reduced to average rate per bushel.

| Years. | Pig-Iron. | | Bar-Iron. | |
|------------------------|-----------------|---------------------|------------------|---------------------|
| | Duty. | Price. | Duty. | Price. |
| 1842 | \$7.56 per ton. | Per ton. \$25.00 | \$21.40 per ton. | Per ton. \$57.00 |
| 1843 to 1846 | 9.00 per ton. | 33.25 | 25.00 per ton. | 67.50 |
| 1847 to 1857 | 30 per cent. | 28.50 | 30 per cent. | 51.50 |
| 1853 to 1861 | 24 per cent. | 23.50 | 24 per cent. | 45.25 |
| 1862 to 1864 | 6.00 per ton. | 25.65 | 18.98 per ton. | 58.33 |
| 1865 to 1875 | 8.81 per ton. | 33.72 | 21.79 per ton. | 70.36 |

Note with the increase of duty the advance of the average price, and with reduction of duty the decline in price. Bar-iron is higher to-day, at this period of depressed prices, than the quotations in 1851, which averaged \$33 for September, and \$36.50 for the year.¹ Indeed, the average prices, reducing currency to gold, under the present rates compared with the prices under the tariffs of 1846 and 1857 have been:—

| | 1846. | 1857. | 1864. |
|--------------------|---------|---------|---------|
| Pig-iron | \$28.50 | \$23.50 | \$33.72 |
| Bar-iron | 51.50 | 45.25 | 70.36 |

Sound logic and, in the language of John Quincy Adams, common sense, as well as comparison of average profits and of average prices under different tariff periods, show that the consumers of imports pay the duties so far as they are protective.

It is not contended that the price of the imported or similar domestic article is in all cases enhanced to the extent of the duty, and the latter paid wholly by the consumer; the writer in 1870 asserted, and still maintains, that the duty sometimes falls wholly upon the home consumer, and sometimes is paid by the foreign producer; but usually its burden is shared, in a greater or less proportion, between them both. Whatever protection a duty secures must consist in permitting an enhancement of prices, or preventing foreign competition from lowering them. Where such protection, as is frequently the case, equals the duty, the tariff tax is borne by the home consum-

er. In answer to the demand that the present high rates of duties of sixty per cent. on woollens, forty per cent. on cottons, and thirty-five or more on iron must be maintained on account of the disparity of wages, taxation, and interest on capital here and in Europe, which it was alleged increased the cost of domestic manufactures to an amount proportioned to those rates, and necessitated an equal per cent. of protection to each, an exhibit of the enormous burden it would impose upon consumers and the contribution asked by manufacturers was prepared, showing the aggregate amount demanded by three leading industries. It was subsequently published in a contribution to this magazine, with a similar table, as an attempted answer, exhibiting the supposed burden occasioned by certain non-protective duties on articles which have no foreign competition in our markets, but are themselves largely exported.² The fallacy of such reply is evident on its face. It was not claimed that the protection—that is, the enhancement of price—equaled the duty; but were the protection then demanded for the difference in cost of production equal to the duty and extended in the same degree to all manufactures of those goods, it would be no overestimate of the burden of protection and the bounties it would give. It is not an answer to shift the ground of defense and allege that, because certain non-protective duties do not have such effect, therefore protective duties do not enhance prices and impose burdens upon and collect bounties from consumers. It is not contended that a duty neces-

¹ The range of prices, Finance Report, 1863-64, page 336.

² Atlantic Monthly, vol. xxxvi., page 308.

sarily enhances the price, but it is insisted that *a protective duty must sustain or advance prices to be protective*, and that when a duty ceases to have any effect upon the price paid by the consumer the duty ceases to be protective.

The plea for governmental aid is based upon the assumption that the industries benefited thereby could not exist without protection; that a reduction of the rates of duty will force their suspension and drive the persons employed therein to engage in other occupations.

The statistics of progress under the so-called free-trade tariffs of 1846 and 1857 do not sustain the assertion. The great industries claiming protection were neither abandoned nor prevented from attaining a healthy development. In the decennial period from 1850 to 1860 they increased faster than population. The value of manufactures was in 1850 \$1,019,106.616; and in 1860, \$1,885,861,676, a gain of eighty-seven per cent., while population for the same period gained but thirty-six per cent.

Compare the values of three of the leading industries at each of those periods, and note the progress recorded by the census.

VALUE OF THE MANUFACTURES SPECIFIED IN 1850 AND 1860.

| Year. | Iron | Cotton. | Woolens. |
|-------|--------------|--------------|--------------|
| 1850 | \$73,234,380 | \$65,501,687 | \$43,207,545 |
| 1860 | 114,915,674 | 115,681,774 | 61,894,986 |

Their growth was continuous, steady, and healthy, leading rather than lagging behind other industries. New manufactures were started, coal and ore beds uncovered, and new mills and furnaces erected. True, an augmented increase appears in the next decennial. The enormous profits that inflated prices and prohibitory duties secured attracted capital to new manufacturing enterprises, until capacity for production outran the power of consumption. Those near to markets for supplies and sale of products, with cheap power, capital, and labor, would have prospered without protective duties, and continued production

without regard to competition or falling prices.

But no tariff duties appear to be able to save the others from suspension and loss. Their smokeless chimneys, silent machinery, idle laborers, and sunken capital show how costly, ruinous, and futile is a system of high duties that through its bounties starts and maintains enterprises that flourish only during the reign of high prices.

The condition of these industries, in favorable localities still profitable, in others mistakenly undertaken, now abandoned, is no fanciful picture. The land is full of these monuments of the cost and folly of the system which originated them.

While the non-protected industries, which no bounties had stimulated into an unhealthy growth, have not been checked in their development, almost all others since 1872 complain of business stagnated and profitless, and their capacity is but half employed. The Annual Report of the Iron and Steel Association for 1877, page 12, says: "Of 714 completed furnaces at the close of 1876, 236 were in blast, 478 were out of blast; of 713 furnaces at the close of 1875, 293 were in blast, and 420 were out of blast. The productive capacity of the furnaces of the country is at least twice the actual yield of either of the last two years." In 1872 there were 109 new furnaces built, and 39 projected for 1873.

PROTECTION SHOULD NOT BE PERPETUAL.

The advocates of tariff reduction and revision to a revenue basis insist that the promises made when duties were raised, over sixty years ago, and incessantly repeated, should be fulfilled. Temporary, not permanent protection was asked and conceded to build up infant industries. Mr. Newton, the chairman of the committee on manufactures, advised the house in 1816 that "should the national government, pursuing an enlightened and liberal policy, sustain and foster the manufacturing establishments,

a few years would place them in a condition to bid defiance to foreign competition."¹ Mr. Clay, who has been called the father of the protective system, pending the passage of the tariff bill of 1816, said, "The object of protecting manufactures is that we may eventually get articles of necessity made as cheap at home as they can be imported." . . . He believed that three years would be sufficient to place our manufactures on the desirable footing.²

Mr. Webster at the same time declared that "he was not prepared to say that the government was bound to adopt a permanent protection."³ Thirty years later the casting-vote of Vice-President Dallas passed the so-called free-trade tariff of 1846 in the senate. In explanation of his vote he said, "This exercise of the taxing power was originally intended to be temporary. The design was to foster feeble, 'infant' manufactures, especially such as were essential to the defense of the country in time of war. In this design the people have persevered, until these saplings have taken root, have become vigorous, expanded, and powerful, and are prepared to enter with confidence the field of fair, free, and universal competition."⁴

Thus spoke, thirty-two years ago, a statesman of Pennsylvania who had been familiar with the whole tariff contest from 1816 to that time, and the grounds upon which protection had been asked, defended, and at times granted. Yet a new generation renews the demand for temporary aid, and repeats the broken promises of its predecessors. Reduction of duties was again opposed in 1870, with the assurance, "Keep your duty high enough to induce other men to build furnaces and rolling-mills, and before five years you will find American iron cheapened to the markets of the world."

These five years have been prolonged to eight. The "saplings" that needed three years' nurture in 1816, that Dallas beheld in their vigor in 1846, that though mighty oaks in 1870 still dreaded the winds of free competition, ought now to stand alone. Let revenue again be the object of taxation. For thirty years the requirements of the public debt will demand custom duties that, though imposed for revenue, unavoidably afford high protection. Let them now be adjusted upon a revenue basis, and their incidental protection will scarcely be disturbed in this century. Stability will be more beneficial than temporary excessive bounty.

Horatio C. Burchard.

ABOUT MAGNANIMOUS-INCIDENT LITERATURE.

ALL my life, from boyhood up, I have had the habit of reading a certain set of anecdotes, written in the quaint vein of *The World's* ingenious Fabulist, for the lesson they taught me and the pleasure they gave me. They lay always convenient to my hand, and whenever I thought meanly of my kind I turned to them, and they banished that sentiment;

¹ *Annals of Congress*, First Session, XIVth Congress, page 965.

² *Annals of Congress*, First Session, XIVth Congress, page 1272.

whenever I felt myself to be selfish, sordid, and ignoble I turned to them, and they told me what to do to win back my self-respect. Many times I wished that the charming anecdotes had not stopped with their happy climaxes, but had continued the pleasing history of the several benefactors and beneficiaries. This wish rose in my breast so persistently

³ *Annals of Congress*, First Session, XIVth Congress, page 1271.

⁴ *Congressional Globe*, XXIXth Congress, First Session, page 1156.