

COMMERCE, CHRISTIANITY, AND CIVILIZATION,

VERSUS

BRITISH FREE TRADE

LETTERS

IN

REPLY TO THE LONDON TIMES:

BY

H. C. CAREY

The first four of these letters were sent to a friend in London, in the hope of thus securing their appearance in the *Times*. Replying to this suggestion, he said, in effect, that that paper, in common with nearly all other English journals, was so hopelessly given over to the advocacy of free-trade doctrines as to make it wholly useless to offer them for publication. This will account to American readers for the delay that has attended their publication here.

“Oh wad some power the giftie gie us
To see oursel's as others see us !
It wad frae monie a blunder free us
And foolish notion.”— BURNS

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LETTERS TO THE LONDON TIMES.

LETTER FIRST

To the Editor of the Times:—

A friend abroad having kindly sent me your paper of 22d ult., I find therein the words “ignorance and imbecility,” “folly and iniquity,” unhesitatingly applied to persons holding, in regard to a purely scientific question now much discussed, opinions differing from your own; and myself specially selected for introduction to your numerous readers as the “redoubtable champion” in reference to whom such expressions may most properly be used. Believing, Mr. Editor, that in all this you have made a serious mistake, and that it has resulted from a steady contemplation of one side of the shield to an entire neglect of the other, I propose as briefly as may be possible to present this latter, in the hope of satisfying you that on this important question man may perhaps differ from you without forfeiting their claim to be possessed of sense, and entitled to be treated as almost, even if not quite, equal with yourself in their right to be spoken of, and to, as gentlemen.

The passages in which these words occur are here given, as follows:—

“Yet as to the cardinal doctrine of English political economy, which is held in this country as an unquestionable scientific truth, to question which must indicate ignorance or imbecility, our kinsmen and fellow subjects of the Dominion are evidently heretical. It is not the French population alone or chiefly which is protectionist. Some of the leading advocates for the artificial fostering of ‘home industry,’ are of British origin, and the interests which are to benefit by the proposed legislation are principally directed by men of the same race. Even Englishmen and Scotchmen who have grown up in our Free Trade pale, and have been taught to believe that the exploded doctrine could not be honestly held by an intelligent person, find excuses for a reconsideration of their opinions when they settle in the new country. Their argument, or, at least, their assertion, is that there is some essential difference between a new country and an old one, between a large country and a small one, between a thinly-populated country and one where the population is dense as in England. Free Trade is never attacked in principle; it is always assumed as the ideal to which the economy of a State should tend; but the friends of Protection are always ready with some exceptional circumstances which make the application of the theoretically perfect system impracticable in their own community. The late Mr. Carey, of Philadelphia, the redoubtable champion of the protective system in the United States, labored to prove that Free Trade was unsuited to the present condition of his country, but that, if the Americans would only establish a stringent system of imposts upon foreign manufactures, and persevere, in it long enough, they would call into being an industrial

power which would enable them in due time to burst upon the world with a Free Trade policy, and overwhelm all creation with their goods. This theory, repeated in hundreds of magazines and newspapers, and forming the staple of endless orations, has affected the economical policy of the Union up to the present time, and is held by multitudes even of those whose private interests suffer by it. To make the country independent of the foreigner, capable of producing everything for itself, and self-sufficient even if shut off from the rest of the world by a powerful enemy, is a principle of government gravely avowed by persons who on other matters judge and speak with intelligence. . . . Therefore, as a financial policy, pure and simple, as the means of present relief, as the direct path to prosperity, the Canadian Board of Trade recommends Protection. It is not that indirect taxation is the easiest of application in practice; it is that in a large country and scattered population customs duties are the only means of reaching the mass of those who should contribute to the State's necessities; it is protection for itself that we find maintained as an economical doctrine on opposite sides of the globe, by vigorous communities of British origin, after we have been maintaining its folly and iniquity for thirty years.”

Waiving for the moment any comment upon the views thus presented, I ask you to look with me to that fountain-head, or well- spring, of economic science, the *Wealth of Nations*, a work that has stood a century's test, and stands now so far ahead of those of its writer's countrymen who claim him as their chief while discarding his most essential principles as to warrant the belief that he will be remembered when they and their works will have been long forgotten. Why should this be so? For the reason, that in his high appreciation, manifested throughout his admirable work, of the superior advantage, material, mental, and moral, of a domestic commerce over foreign trade, he struck the keynote of a sound social science. Exchanges performed twice or thrice a year were in his eye far more profitable than those which could be but once performed. Exchanges with neighboring nations he regarded as far preferable to those with communities more distant. *A fortiori* exchanges performed from week to week, from day to day, from hour to hour, from minute to minute, must be still more advantageous; and so, in his view, they were. To the end that such exchanges might become possible, it was essential that there should be that, diversification of employments to the exposition of whose advantages so much of his work was given. With every step in that direction producers and consumers were, as he saw, more nearly brought together; production and consumption followed more closely on each other; labor became more and more economized; the various members of society became more and more enabled to find the places for which they had been intended; labor of all kinds became more and more productive, with hourly increase of rapidity in the societary circulation and corresponding development of all those faculties, mental and moral, by which the human animal is distinguished from the brute. Such, Mr. Editor, although not precisely so expressed, were the ideas Adam Smith sought to impress upon his countrymen; and such, exactly, are those which, as humble follower of a man who, in my belief, is entitled to stand side by side with Shakespeare as greatest

of all the human productions of the British soil, I have urged not only on my own countrymen but upon the people of all the nations of the earth. What there is therein to warrant an attack like to that above reproduced, I leave you to determine for yourself.

The British policy of Smith's day was in direct opposition to all his teachings. The colonist Briton was allowed to make no exchanges with his neighbors, of wool for cloth or hats, of iron for nails or bolts, of hides for shoes or straps, except through the medium of British ships, British traders, and British shops. Most righteously was this regarded by our great author as "a manifest violation of the most sacred rights of mankind;" and as tending to make, of the great community of which he was a part, a mere "nation of shopkeepers," amassing fortune by means of a policy as injurious to their victims as in the end it must prove destructive to themselves. Against that policy it was that Smith raised his voice when crying aloud for freedom of trade. With what results, however? Has there in the century that since has passed been any single case in which Britain has voluntarily abandoned the system which for so long a period had had for its object that of making of herself the "workshop of the world"? Foreign tariffs and a consequent growth of competition for the sale of manufactured goods, opened the eyes of Mr. Huskisson half a century since, and twenty years later those of Sir Robert Peel. But for American and German resistance the Navigation Laws might, and probably would, still remain on the statute book of Britain. In the interest of free trade a reciprocity treaty, so called, was obtained by Canada from us, and the measure was hailed with great delight by all such gentlemen as now constitute the Cobden Club. When, however, shortly afterward, the various British possessions of this Western hemisphere sought to establish among themselves a similar free trade measure, the Privy Council refused permission, on the ground that such measures were not in accordance with the Imperial policy. Reciprocity had been regarded as sauce for the goose, but could not be accepted as sauce for the gander. It may, as I think, be doubted if any single measure can be shown as having been adopted by Britain, except as conducive to maintenance of the system denounced by her great economist as utterly unworthy of the great nation of which he was a part.

Years after Mr. Huskisson had become in part convinced of the necessity for abandoning some of the various modes of taxation of other nations that had till then been practiced, an eminent member of parliament described in the words that follow the real objects of men who were the loudest in their expressions of free trade admiration:—

"It was idle for us to endeavor to persuade other nations to join with us in adopting the principles of what was called free trade. Other nations knew, as well as the noble lord opposite, and those who acted with him, that what we meant by 'free trade' was nothing more nor less than, by means of the great advantages we enjoyed, to get a monopoly of all their markets for our manufactures, and to prevent them, one and all, from ever becoming manufacturing nations. When the system of reciprocity and free trade had been proposed to a French ambassador, his remark was, that the plan was excellent in theory, but, to make it fair in practice, it would be necessary to defer the attempt to put it in execution for half a century, until France should be on the same

footing with Great Britain in marine, in manufactures, in capital, and the many other peculiar advantages which it now enjoyed. The policy France acted on was that of encouraging its native manufactures, and it was a wise policy; because, if it were freely to admit our manufactures, it would speedily be reduced to the rank of an agricultural nation, and therefore a poor nation, as all must be that depend exclusively upon agriculture. America acted, too, upon the same principle with France. America legislated for futurity — legislated for an increasing population. America, too, was prospering under this system."

How the monopoly system thus described has since been carried into practical effect is shown in the following passage from a Report made to Parliament by Mr. Tremenheere:—

"The laboring classes generally in the manufacturing districts of the kingdom, and especially in the iron and coal districts, are very little aware of the extent to which they are often indebted for their being employed at all to the immense losses which their employers voluntarily incur in bad times, in order to destroy foreign competition, and to gain and keep possession of foreign markets. Authentic instances are well known of employers having in such times, carried on their works at a loss amounting in the aggregate to £300,000 or £400,000 in the course of three or four years. If the efforts of those who encourage the combinations to restrict the amount of labor and to produce strikes were to be successful for any length of time, the great accumulations of capital could no longer be made which enable a few of the most wealthy capitalists to overwhelm all foreign competition in times of great depression, and thus to clear the way for the whole trade to step in when prices revive, and to carry a great business before foreign capital can again accumulate to such an extent as to be able to establish a competition in prices with any chance of success. The large capitals of this country are the great instruments of warfare against the competing capitals of foreign countries, and are the most essential instruments now remaining by which our manufacturing supremacy can be maintained; the other elements — cheap labor, abundance of raw materials, means of communications, and skilled labor — being rapidly in process of being equalized."

Here is "warfare." By whom, and on whom? By the very men whose policy was denounced by Adam Smith. Upon people of distant lands who see and know that what they need is that diversification of employments regarded by him as so essential to that increase of mental, moral, and material force of which we speak as evidence of growing civilization. It is a "warfare" for prevention of any growth of that domestic commerce which marks the decline of barbarism. Such being the case, and that such it is cannot be denied, where would Adam Smith now stand were he member of any of the communities upon which this war was being made? Assuredly on the side of resistance, that resistance taking the form of protection to the farmer in his efforts at bringing to his side the consumer of his products, thereby

enabling him to exchange both services and products with little intervention of trader or transporter, and thus freeing himself from the necessity now imposed upon the purely agricultural nations of the earth for limiting their exchanges to those made yearly or half yearly and held in so slight regard by Smith.

In another letter, I propose, Mr. Editor, to exhibit the working of the two systems in an old and a new country, meanwhile remaining,

Yours respectfully,
HENRY C. CAREY.

Philadelphia, Feb. 15, 1876

LETTER SECOND

In assuming, Mr. Editor, as you seem to do, that I regard protection as especially necessary for new countries, you are much in error. The societary laws are applicable to all countries alike, the great object to be accomplished being the promotion of that domestic commerce held in so great regard by the illustrious founder of a real economic science. In the days of the later Stuarts, when the men of the Rhine were enabled to boast that they bought of the stupid Englishmen whole hides for sixpence and paid for them in tails at a shilling, Britain stood as much in need of protection as we do now. So, too, was it half a century since when German men exported wool and rags and took their pay in cloth and paper, paying at the British custom house a heavy tax for the privilege of making exchanges among themselves through the medium of British ships and shops. So, again, was it less than a century since in the now most prosperous and independent of the manufacturing countries of the world, as will here be shown.—Almost unceasingly at war abroad or at home; brought repeatedly by political and religious dissensions to the verge of ruin; governed by priests and prostitutes in the names of worthless kings—France, on the day of the assembling of the States General, in 1789, had made so little progress in the industrial arts that her markets, were crowded with British wares; that her workshops were closed; that her workmen were perishing for want of food; and that the French school of art had almost entirely disappeared. The Few were magnificent—more so, perhaps, than any others in Europe. Of the Many a large majority were in a state closely akin to serfage, and ignorant almost beyond conception.

The Revolution, however, now coming, the people did for themselves what their masters had refused to do; re-establishing the system of Colbert, the greatest statesman the world has yet seen, and making protection the law of the land. Since then, consuls and kings, emperors and presidents, have flitted across the stage; constitutions almost by the dozen have been adopted; the country has been thrice occupied by foreign

armies, and thrice has it been compelled to pay the cost of invasion and occupation; but throughout all these changes it has held to protection as the sheet-anchor of the ship of State. With what result? With that of placing France in the lead of the world in reference to all that is beautiful in industrial and pictorial art. With that of making her more independent, commercially, than any other country of the world. Why is this? For the reason that she enables her artisans to pass over the heads of other nations, scattering everywhere the seeds of that love of the beautiful in which consists a real civilization, and everywhere stimulating while defying competition; Britain, meanwhile, seeking everywhere to stifle competition by means of cheap labor, shoddy cloth, cinder iron, and cottons that, as recently certified to by British merchants in China, lose a third of their weight on their first immersion in the tub.

But a few months since Monsieur Michel Chevalier gave to his English friends an eulogium upon this shoddy system, saying, however, not a word as to the fact, that the tariff for which he claims the credit is the most intelligently, and the most effectively, protective of any in the world; not a word to show how perfectly it had been made to accord with the views presented in his then, as I think, latest work, and which read as follows:—

“Every nation owes it to itself to seek the establishment of diversification in the pursuits of its people, as Germany and England have already done in regard to cottons and woollens, and as France herself has done in reference to so many and so widely different departments of industry, this being not an abuse of power on the part of the government. On the contrary, it is the accomplishment of a positive duty which requires it so to act at each epoch in the progress of a nation as to favor the taking possession of all the branches of industry whose acquisition is authorized by the nature of things.”

Prior to the date of the Cobden treaty, 1860, the regime of France, for almost seventy years, had been that of prohibition so nearly absolute as almost to preclude the importation of foreign manufactures of any description whatsoever. Prior to 1861, that of this country had for a like period of time, with two brief and brilliant exceptions, been that of revenue, and almost free-trade, tariffs dictated by subjects of the cotton king holding a full belief in the morality of human slavery, and in a sort of right divine to buy and sell their fellow-men. We have thus two contemporaneous systems differing from each other as light does from darkness, and may here with some advantage study their working as regards the great question now before us, that of civilization. The last four years prior to 1861 were in this country so much disturbed by reason of the great free-trade crisis of 1857 that, desiring to give every advantage to free-trade theorists, I prefer to throw them out, taking for comparison the year 1856, one in which the world at large was rejoicing in the receipt of hundreds of millions of gold from California and Australia; and when, if ever, our Southern States must have been growing rich and strong by means of the policy of which they so long had been the ardent advocates.

In that year the domestic exports of France amounted to \$340,000,000, having far more than trebled in twenty-five years; doing this, too, under a system that, as we now are told, must have destroyed the power to maintain any foreign commerce whatsoever. Of those exports, \$140,000,000 consisted of textile fabrics weighing 20,000 tons, the equivalent of 100,000 bales of cotton, and sufficient, perhaps, to load some five-and-twenty of the ships that, as I think, were then in use. The charge for freight was, as may readily be seen, quite insignificant, and for the reason that the chief articles of value were skill and taste, \$100,000,000 of which would not balance a single cotton bale. Arrived out, the goods were all finished and ready for consumption; and, as a consequence of these great facts, there were no people retaining for themselves so large a proportion of the ultimate prices of their products as did those of France.

At that date two hundred and fifty years had elapsed since the first settlement of Virginia, and the whole country south of the Potomac, the Ohio, and the Missouri, had then been taken possession of by men of the English race, the total population having grown to almost a dozen millions. The territory so occupied contained, as I believe, more cultivable land, more coal, and more metallic ores, than the whole of Europe; and it abounded in rivers calculated for facilitating the passage of labor and its products from point to point. What now had become, in 1856, the contribution of this wonderful territory, embracing a full half of the Union, to the commerce of the world? Let us see! The cotton exported amounted to 3,000,000 bales. To this may now be added 100,000 hogsheds of tobacco, the total money value of the exports of this vast territory having been almost precisely \$140,000,000 — barely sufficient to pay for the cargoes of five-and-twenty ships, of a joint burden of 20,000 tons, laden with the beautiful fabrics of France.

For the carriage to market of this cotton and tobacco how many ships were required? Thousands! How many seamen? Tens of thousands! Who paid them? The planters! Who paid the charges on the cotton until it reached its final consumer? The planter, whose share of the two, three, or five dollars a pound paid for his cotton by his customers in Brazil, Australia, or California, amounted to but a single dime. It may, as I think, be safely asserted that of all people claiming to rank as civilized there have been none who have retained for themselves so small a portion of the ultimate prices of their products as have those who have been accustomed to supply raw cotton to Britain and to France.

The first of all taxes is that of transportation, proceeding as it does even the demands of government. Of this the Frenchman pays almost literally none, the commodities, taste and skill, which mainly he exports, being to be classed among the imponderables. The planter, on the contrary, gives nine-tenths of the ultimate prices of his products as his portion of this terrific tax, doing so for the reason that he is always exporting, in the forms of cotton and tobacco, the weighty food of mere brute labor, and the most valuable portions of the soil upon which that labor had been expended.

Throughout the world, as here among ourselves, the exporters of raw produce pay all the taxes incident to a separation of consumers from producers, the manufacturing nations profiting by their collection. Hence it is that while the former

tend from year to year to become more dependent, the latter tend equally to become more independent, thus furnishing conclusive evidence of growing civilization.

The protected Frenchman, freed from the most oppressive of all taxes, grows in love of the beautiful, in love of freedom, in that love of his native land by which he is everywhere so much distinguished — each and every stage of progress marking growth of real civilization.

The unprotected men of the South, on the contrary, have been so heavily taxed on the road to their ultimate market as to have produced a constantly growing need for abandoning their exhausted lands, and a corresponding growth of belief in human slavery, which is but another word for barbarism.

Since the date above referred to, France and the South have passed through very destructive wars, but how widely different is their present condition; the one being more prosperous than ever before, the other remaining now so much impoverished as to excite the sympathy even of those who had most execrated the men and measures to which the rebellion had been due.

Such, Mr. Editor, have been the results of thorough protection on one side of the ocean and an absence of protection on the other. Choose between them!

In another letter I shall submit to your consideration a comparative view of the present commercial position of France and Britain, meanwhile remaining,

Yours, respectfully,
HENRY C. CAREY.

Philadelphia, Feb. 17, 1876

LETTER THIRD

The strong man, Mr. Editor, self-reliant, moves boldly forward, careless of the comments of those around him, and confident in his power for self-defense. His feeble rival, full of doubts and fears, watches anxiously, hoping to maintain his position yet hesitating as regards his power so to do. In which of these men may we find the prototype of France commercially considered? In which that of Britain? Let us see!

In the sixty years that have passed since the close of the great war, France has, as I believe, never once attempted to interfere in our affairs; nor, so far as I can recollect, have the French people sought in any manner to influence our legislation. She and they have been content to allow us to determine for ourselves our commercial arrangements, confident that, whatsoever might be their form, French skill

and taste would so far triumph over such obstacles as might be raised as to enable France to participate in supplying the great market the Union now presents.

Widely different from this, British interference has been persistent throughout this whole period, increasing in its force as the danger to British interests became more clearly obvious. On one occasion, some five and twenty years since, your then minister had the bad taste, if not even the impertinence, to send to our State Department a lecture on the folly of protection, accompanied by a strong remonstrance against increase in the duties on British iron. Of the course that has been since pursued some idea may be formed after a study of the exhibit, made in a document herewith sent, of the discreditable proceedings of the Canadian Commissioner in reference to that, so-called, Reciprocity Treaty whose adoption he then was urging; these things having been done under the eye, and, as we have every reason to believe, with the sanction of the minister under whose roof the commissioner was then residing. The corruption then and there practiced may be taken as the type of the whole British action in this country; agents being sent out to lecture on the advantages of free trade; journalistic correspondents being purchased; Cobden Club publications being gratuitously distributed; and our domestic affairs' being in every possible manner interfered with; with simply the effect of proving that there reigns abroad great fear that the Union may speedily achieve an industrial independence and thus emancipate itself from the system described more than a century since by Joshua Gee when assuring his countrymen that more than three-fourths of the products of these colonies were absorbed by British traders, and that the share allowed to the colonists scarcely sufficed to purchase clothing for their families and themselves.

Turn now, Mr. Editor, to your own journal of the 25th ult., and re-read the inquiry there made as to "what possible outlet we can have for our produce in the event of such an important purchaser being lost to us permanently;" following this up by study of your answer to the effect, that "the high tariff so long maintained by the United States has at length brought her producing powers up to her requirements," and that, therefore, "we cannot but greatly fear that the crisis of depression is by no means past, and it is not improbable that the list of works that have to be closed for want of orders will be augmented, and many more workmen be thrown out of employment before the year is out." Turn next to your report of the Address of the President of the Sheffield Chamber of Commerce, and find him admitting that although "they had argued during the term of the free trade agitation that protected industries failed, that the quality deteriorated, and the enterprising manufacturers began to stagnate, that did not seem to apply to American manufacturers;" the general result at which the speaker had arrived being precisely that which you yourself had just before suggested, to wit, that the American market had been lost, and had been so because of a protective tariff such as you have now denounced.

Turn further, if you please, to your report, a part of which is here below given, of the proceedings of a meeting of the Manchester Chamber of Commerce, now but a fortnight old, and mark, first, the alarm excited by the recent and rapid growth of the cotton manufacture of India; and, second, the admission, there made that the duty,

trivial as it is, is "a great grievance to Manchester," paid, as it is here admitted to be, by the British producer, and NOT by the Hindoo consumer:—

"Mr. W. E. Taylor, Enfield, strongly condemned the Indian import duties upon cotton, and attributed the delay in their abolition to the influence of Lord Northbrook, with respect to whom he said that, whatever the causes of his retirement, they would hail the consequences with satisfaction.

"Mr. J. A. Bremner also supported the resolution, and especially commended the action of the Chamber with respect to the cotton import duties. He said that the £750,000 raised by means of these duties in India fell upon 80,000 employers and work people in Lancashire, its average incidence being at the rate of £10 per head."

Had these gentlemen been talking in those Washington committee rooms which their representatives so constantly, and so impudently, invade, or through our public journals, they would have insisted that it was the poor consumer who paid the duty, but here, among themselves, they admit what they and we know to be the fact, that it is they who pay and they who are to be benefited by its abolition.

Look next to the Cobden Club, a body of English gentlemen, and see it, as we are now assured may be done, in defiance of your own denunciation of the document as unworthy of credit, scattering broadcast throughout Italy a paper by one of its members who claims to be recognized as an American, every page carrying with it evidence of that gross misstatement in reference to the working of the protective policy in this country, throughout the last dozen years, which had led the *Times* to its repudiation.

Allow me now, Mr. Editor, to ask if there can be better evidence of weakness than that which is above exhibited? Strong men can always afford to speak the truth. Weak ones only find themselves compelled to resort to falsehood.

Turn back a few months and study for yourself the facts connected with the urgent request made to M. Chevalier when last in England, to the effect that he should urge upon his government some relaxation of that protection of the sugar manufacture by aid of which French refiners were driving those of Britain out of their own markets; continental beet growers meanwhile threatening annihilation of the cane growers of Britain's tropical possessions. Turn next to a file of the *Pall Mall Gazette* and study the exhibit there made, but few weeks since, of the trepidation caused by the suggestion that Austria had determined upon the adoption of specific duties, thereby putting your shoddy cloth and cinder iron upon a level with the more honest products of Germany and of France. Turn to the *Economist*, the *Manchester Guardian*, and other journals, and see how great had been the alarm excited by the statement that Italy was surely bent upon "a complete return to the protectionist system." Look next to the joy that has been since expressed on receiving an assurance from the Commissioner that what was being sought was merely increase of revenue without reference to protection. Had Signor Luzzati been further interrogated the rapturous feeling would, however, have been greatly

modified by his assurance to the effect that his government had arrived at the conclusions, that for the suppression of brigandage it was indispensable that employment should be found for the Italian people; that for attaining this result it was needed that employments should be diversified; and that, to that end, there should be such an increase of duties as would at one and the same time give both revenue and protection.

Look further in what direction we may, we meet with evidences of a nervous feeling of apprehension singularly corroborative of the views of the great father of economic science when cautioning his fellow citizens against the dangers and difficulties that must inevitably result from an almost entire dependence on the foreign trade.

Referring now to one of the many reports which British ministers are required to make, each and all proving the existence of great anxiety as to the future, allow me to ask your attention to that of Mr. Phipps, your representative in Madrid, in which he so clearly shows how almost marvelous has been the growth of the foreign commerce of Spain consequent upon the adoption, some thirty years since, of a protective system by aid of which an import of cotton, dye-stuffs, and other raw materials, had been substituted for that of cloth and other manufactures. That done, Mr. Editor, mark the astonishment, if not even the horror, he expresses at the rapid growth of the protective feeling; at the action of the government in refusing reduction of existing duties; and especially at the "short-sighted and suicidal" measures now likely to be adopted with a view to bringing about those harmonious relations between agriculture and manufactures which were held by Adam Smith in such high regard.

Passing northward and eastward mark if you please, the alarm that has been caused by reason of the belief that Russian road making must lead to absorption of the trade of Central Asia by Russian manufacturers.

Study then the causes of the destructive and useless war of the Crimea, followed, as it has been, by almost endless negotiations in regard to Turkey and to Egypt and its canal, all tending to prove an anxiety in reference to the commercial future from which France seems so almost entirely exempt.

Proposing in my next to call your attention to the comparative movements of France and Britain, I remain, etc,

HENRY C. CAREY.

Philadelphia, Feb. 18, 1876.

LETTER FOURTH

The change of Mr. Huskisson's opinions in regard to protection followed so closely on large increase in the duties on foreign iron and other commodities, that it was, as I think, but six years later in date. Four years still later came the French Revolution of 1830, and by that time the slight changes which had followed his conversion may be supposed to have begun to produce the effect desired. Taking that year, then, as the starting point of a comparison of the working of protection in France, and free trade in Britain, we obtain results which will now be given, as follows:—

In that year the French domestic exports amounted, in round numbers, to \$100,000,000, or little more than \$3 per head of the population. Thirty years later, at the date of the Cobden treaty, under a prohibitive system, they had grown to \$400,000,000, or about \$11 per head. Since the close of the German war their growth, under a highly protective one, in millions of dollars, has been as follows:—

1871	573	1874	774
1872	730	1875	800*
1873	760		

The population for 1872, Alsace and Loraine having passed to Germany, was in round numbers 36,000,000, and an export of 800,000,000 gives \$22 per head, or seven times more than that of 1830. Seeing this wonderful upward and onward progress in face of the general depression that now prevails, an English journalist has recently told his readers that France seemed to bear "a charmed life." He failed, however, to say to them that the charm would be found in the fact that for eighty years the French policy had looked steadily in the direction of development of that domestic commerce which now constitutes the foundation of her great and rapidly growing foreign commerce. Scarcely knowing it, France has been a consistent disciple of Adam Smith.

The declared value of "British produce and manufactures" exported in 1830, was, in round numbers, \$190,000,000, or about \$8 per head; being almost thrice that of France. That of the last five years has been, as here given in millions of dollars : —

1871	1115	1874	1200
1872	1280	1875	1150
1873	1275		

these last figures giving about \$34 per head of the population; or but about 50 per cent, in excess of the exports of France. It thus appears that under a thoroughly

* The last account I have seen showed a considerable increase in 1874, but as yet I have seen no definite figures for the year.

protective system the foreign commerce of this latter has grown with such rapidity that whereas in 1830 it stood to that of Britain as little more than 1 to 3; it now stands as 2 to 3.

Were even this apparent difference a real one, the change would still be most extraordinary, in view of the fact, that, whereas France, in losing her Rhine provinces, had lost more than she had gained in Algeria or elsewhere, Britain had not only added in India, Australia, South Africa, and other of her dependencies, more than 100,000,000 to her population, but had so subjugated the hundreds of millions of Japan, China, and other Eastern States, as to have compelled them to add largely to the markets for her products which she had before controlled.

That it is not, however, a real difference will now be shown, as follows:—

The farmer who has sold his crops has at his command, for any and every purpose, the whole amount they had produced. His neighbor, the shopkeeper, having sold a similar amount, has only his profits, having at his command but a tenth or an eighth of the amount of sales. That the two men thus described are the prototypes of France and Britain will now be shown, as follows:—

At the first of the periods above referred to, both France and Britain sold mainly the produce of their own land, and so it still continues with the former; the foreign raw material entering into her domestic exports not exceeding, probably, an eighth of their gross amount. At that date Britain bought her cotton, but she not only sold her own flax and her own wool, but with the products of her soil she fed the people employed in converting them into the fabrics required in distant markets. Now, all is different. Nearly, if not quite, every pound of raw material—silk, flax, hemp, jute, wool, cotton—entering into the composition of the textiles exported has been brought from distant lands, to be paid for to foreign farmers and planters, and NOT, as in France, to her own people. So, too, with the wheat, the cheese, the eggs, the poultry, and other food consumed by the men who work up such materials. Seeing all this, Mr. Editor, may we not assume that a full half of what is given to the world as exports of “British produce and manufactures,” is really but a re-export of the products of other lands whose people claim the proceeds, minus the enormous charges made for the work of manufacture and exchange? Can it then safely be asserted that the real domestic export of Britain exceeds, if indeed it equals, that of France? It certainly seems to me that it cannot.

The policies of the two countries and their results having been so widely different, we may now look to the changes that, under their influence, have been brought about in the condition, material and moral, of their respective populations.

At the opening of the French Revolution the condition of a large portion of the people of France, as has been already stated, was nearly akin to that of serfdom. Today we have the assurance of your countryman Mr. Thornton, made after a very thorough examination of the subject, that their condition compares advantageously with that of those of the most favored countries of the world; and that to all appearance the prosperity now so generally evident must continue and increase. So much for a system that, in harmony with the ideas of Adam Smith, has looked to development of the

domestic commerce, and has been carried into effect in despite of a warlike policy that has not only annihilated millions of men and thousands of millions of property, but has also thrice subjected the country to invasions, and thrice to heavy taxation for the maintenance of foreign armies quartered upon it. The first Napoleon has told us that it was the empty belly that caused revolutions. May it not then be, that to the general prosperity indicated not only by Mr. Thornton but by a thousand important facts, may be attributed the extraordinary, quietude of the whole French people while waiting throughout the last four years for institution of a government?

Looking now back in British history, we find the people of Ireland to have been prospering by aid of a legislative independence which had been then secured; Scotland to have exhibited tens of thousands of tenants holding, as they supposed, their lands under titles as secure as were those of the great landholders under whom they held: England exhibiting hundreds of thousands of men living on lands of their own, and giving annually to the nation tens of thousands of youths capable of serving, with advantage to their country and to themselves, in the forum or the field, in the workshop or on the farm; and presenting as fine and intelligent a body of men as had ever been exhibited by any nation of the world. What now has become of these men? In Ireland, says Thackeray, they have “starved by millions.” In Scotland they have been dispossessed to make way for sheep and deer. In England they have been replaced by farm laborers who have before them, says an Edinburgh reviewer, “no future but the poorhouse;” and who exhibit in the present, as but now described by Mr. Cliffe Leslie, a general sadness and stupidity, an absence of intelligence and of energy, that can with difficulty be paralleled in any nation whatsoever, however barbarous.* Such has been the result of a century of wars for trade; of “warfare” upon all the nations of the world for preventing growth of that domestic commerce whose advantages the illustrious author of the *Wealth of Nations* so greatly desired to impress upon his countrymen.

The French people furnish to the outer world their own products to the amount of \$700,000,000, the proceeds being so distributed among themselves that the little egg-producing farmer, equally with the great mining capitalist, obtains the share to which he may justly be deemed entitled. As a consequence of this the foundations of the system become from day to day more wide and deep, the societary machine taking daily more and more the stable form of a true pyramid.

The bankers and traders of Britain, on the contrary, pass annually through their hands property that counts by thousands of millions, retaining for themselves so large a share of the profits that but little remains for those unfortunate laborers who now represent that admirable body of small proprietors who in the days of Adam Smith furnished the youths of whose achievements Britain now so justly boasts. As a consequence of all this the machine takes daily more and more the form of an inverted pyramid upon whose future calculation can with difficulty be made.

* This is taken from a quotation in the *Journal des Economistes* for last month. The original I have not seen.

Compare now, Mr. Editor, the two pictures that have been presented, and determine for yourself if men should not be allowed to differ from you in opinion without exposing themselves to the charges of "imbecility and ignorance."

Turning our eyes now to this western side of the Atlantic, allow me to submit to your consideration some important facts, as follows :—

The cotton here converted into cloth in this last year has amounted to no less than 600,000,000 pounds. Of the cloth produced the export was small, and so was the import of foreign cottons, the balance either way being unimportant. The consumption by our own 43 millions of people may therefore be taken at 600 millions, giving 14 pounds, or an average of probably 50 yards, for every man, woman, and child in the Union; that, too, in a time of serious commercial crisis. So much, Mr. Editor, for bringing consumers and producers into near connection with each other.

The quantity of cotton simultaneously worked up in Britain for the supply of her own 33 millions of people, and for the thousand millions of the world at large, was but little more than double the quantity here actually consumed, say 1,224 millions of pounds; the power of consumption being everywhere limited by reason of the enormous taxes required to be paid on the road between Carolina, Brazil, and other cotton producing countries on one hand, and the various cotton consuming countries on the other.

Of all tests of the growth of wealth and civilization the most certain is that which is found in the power of a people for the production and consumption of iron. Subjecting the Union to this test we obtain the following results, to wit:—

In the so-called free trade period which closed in 1824, the consumption of foreign and domestic iron was,	
per head, in pounds	85
Under protection it rose in 1835 to.	48
Under a free trade system it fell in 1842 to	38
Under protection it rose in 1847-8 to	98
Under free trade it fell in 1858-60 to.	80
Under the present moderate protection it has now risen to more than	150

The capacity of now existing furnaces is that of five and a half millions of tons, or 280 pounds per head.

Of mineral oils our contribution to the commerce of the world counts almost, even if not quite, by thousands of millions of gallons, little, if any, of which would ever have come to the light but for close proximity of the machine shops of Pittsburg, Cincinnati, and Cleveland. Those shops are as much the offsprings of protection as is the cotton trade of Russia, or of the New England States.

Allow me now, Mr. Editor, to call your attention to an article of your own this day received, in which are given figures representing the trade of Britain with the nations that more or less protect their various industries, proving conclusively, as you there have said, "that the countries which set the greatest opposition to our iron industry

are those from which we purchase most largely;" a state of things which you regard as greatly to be deplored. Does this not, however, prove that the countries which, in accordance with the advice of Adam Smith, look most carefully to the promotion of their domestic commerce are precisely those which find themselves enabled to contribute most to the commerce of the world at large?

For an answer to this question look to the report of your minister in Spain above referred to. For further answer look to the figures here below given representing our domestic exports, and satisfy yourself that it is precisely as we make our own iron, and our own cottons and woolens, we are enabled to become larger customers to the various non-manufacturing nations of the earth.

In the fourteen free trade years ending in 1860 their amount was \$3,400,000,000. In the fourteen years of protection that have just now closed it was \$6,600,000,000. The last three free trade years gave a total of \$920,000,000. The last three of the protectionist years give \$1,985,000,000, being more than 100 per cent, increase accompanied by a growth of population not probably exceeding 40 per cent.

Seeing how fully both American and French facts tend to prove the accuracy of the idea you have now propounded, to the effect that it is the countries which "set the greatest opposition" to your iron industries that find themselves enabled to furnish you most largely with the things you need, may you, Mr. Editor, not find in this important fact some reason for revising the opinions you have "for thirty years" so freely expressed in regard to the "folly and iniquity" of the system advocated by those who, like myself, hold to a firm belief in the teachings of that greatest of economists, the illustrious author of the *Wealth of Nations*?

Respectfully submitting this question to your careful consideration, I remain

Your obedient servant,
HENRY C. CAREY.

Philadelphia, Feb. 22, 1876

LETTER FIFTH

Having thus, for the present at least, disposed of the material side of the question now before us, I have here to ask your attention to the moral one, as follows:—

Early in the free-trade crusade it was announced in Parliament that the smuggler was to be regarded as “the great reformer of the age,” and from that hour to the present all the aid in the power of that body to give him has been rendered; Gibraltar, Malta, Nova Scotia, Canada, and other possessions, having been chiefly valued for the facilities they have afforded for setting at defiance the laws of nations with which Britain has professed to be at peace. It is, however, to a larger field, that of Eastern Asia, Mr. Editor, that I now invite your attention, to the end that you may be enabled fully to appreciate the manner in which the “great reformer” has done and is now doing his appointed work.

Prior to the close of the last century, the Chinese government had been accustomed to regard opium as a mere medicine whose use was beneficial rather than otherwise. Eminent and observing men, however, having remarked a steady increase in its consumption and very injurious consequences thence resulting, the matter was brought to the emperor’s notice, with the effect of inducing him, in the first year of the present century, to issue a proclamation absolutely forbidding its import, and ordering the infliction of heavy penalties upon such as might be led to act in violation of the law. Nevertheless, despite every effort at its enforcement, smuggling steadily increased until, as early as 1824, it had attained a value of \$8,000,000.

Nine years later, in 1833, the East India Company's charter was renewed, an express understanding having first been arrived at that opium smuggling should not in any manner be interfered with, the home government thus making itself responsible for all the infamies attendant upon a trade since described by the editor of the *Friend of India* as follows :—

“All the iniquities of bribery, fraud, perjury, and violence, which are inseparably connected with smuggling, are practiced; and, occasionally, bloody collisions occur between them and the native authorities. Sometimes, with a perfect understanding of both sides, a sham fight is got up between the smugglers and mandarins, in order to display greater vigilance and activity, thereby deceiving the government agents.”

Thus sanctioned by the royal head of the English Church, and by those of its illustrious members who then filled high positions in his government, the trade moved forward with great rapidity, the export of 1837 amounting to 40,000 chests and making a demand on China for no less than \$25,000,000, or thrice that made but thirteen years before. Alarmed at this, the emperor's councilors were urgent with him to sanction domestic cultivation of the poppy and thus stop a demand that was draining the country of all the silver at its command. To this his answer was given in the memorable words that follow, to wit: “It is true,” said he, “I cannot prevent the introduction of the flowing

poison; gain-seeking and corrupt men will, for profit and sensuality, defeat my wishes; BUT NOTHING WILL INDUCE ME TO DERIVE A REVENUE FROM THE VICE AND MISERY OF MY PEOPLE.”

So much for a *barbarian* sovereign for the conversion of whose unenlightened subjects to the pure doctrines of Christianity so much anxiety is felt by many of those eminent Britons whose votes have invariably been given in behalf of the “great reformer of the age,” wheresoever found; whether on the shores of the China seas or on those of these United States.

The five and thirty years which since have followed, present the facts that follow, to wit:—

1st. An earnest effort at suppression of the trade by means of seizure and confiscation of all the opium that had been introduced in violation of the law. **2nd.** A bombardment of Canton attended with great destruction of property and life, followed by a treaty by which the poor Chinese were required to pay \$21,000,000 for having been so long compelled to submit to the humiliation of being plundered and maltreated by the “great reformer;” and further, to cede Hong Kong, at the mouth of the Canton River, to the end that it might be used as a smuggling depot throughout the future. **3rd.** The war of 1857, so entirely unprovoked on the part of the Chinese government or people, that it has never yet, as I think, found a defender even in the English press; closing, however, with a treaty by the terms of which the Chinese government, despite of all remonstrance, was compelled to legitimize an annual introduction, counting by millions of pounds, of a commodity that in Britain itself was treated as a poison whose sale was to be subjected to close restriction, and to whose exclusion from Japan the British government had itself agreed.

Bad as was all this, it was scarcely worse than the injury and insult resulting from the fact, that the empire was in a great degree thrown open to the incursions of British agents and travelers, “manifesting,” said Sir Frederick Bruce in a dispatch to Earl Russell, “an insolence and disregard to Chinese feelings,” greatly exceeding even that which is so usual with those of them who travel in other countries. Confirming this, Lord Elgin tells his readers that he had seldom in the East “heard a sentence which was reconcilable with the hypothesis that Christianity had come into the world. Detestation, contempt, ferocity, and vengeance,” as he continues, “whether Chinamen or Indians be the object.”

Unceasing outrages provoking on the part of the poor Chinaman occasional resistance, we find this but three years later, in 1860, made the occasion of another war in which the rapid growth of civilization was manifested in the burning of the wonderful summer palace, and the distribution of its treasures, as loot, among the captors.

The treaty of Tientsin provided for its own revision at a future date, which arrived in 1869. On that occasion the Chinese government was urgent for such increase of duty upon opium as would repress its consumption, and to this the British minister consented; but the home government, with Mr. Gladstone at its head, refused its assent, and the duty remained unchanged.

Most anxious, the Chinese commissioners, with Prince Kung at their head, addressed to the minister a communication so affecting in its appeals for mercy to be granted to a great people now becoming financially and morally demoralized by use of a poison the cost of which to the ultimate consumers can scarcely be less than \$200,000,000, that I am induced to ask your attention to a portion of it here given; as follows:—

"From Tsungli Yamen to Sir R. Alcock, July, 1860. The writers have, on several occasions, when conversing with his excellency the British Minister, referred to the opium trade as being prejudicial to the general interests of commerce. The object of the treaties between our respective countries was to secure perpetual peace, but if effective steps cannot be taken to remove an accumulating sense of injury from the minds of men, it is to be feared that no policy can obviate sources of future trouble. * * * if it be desired to remove the very root, and to stop the evil at its source, nothing will be effective but a prohibition to be enforced alike by both parties. Again, the Chinese merchant supplies your country with his goodly tea and silk, conferring thereby a benefit upon her, but the English merchant empisons China with pestilent opium. Such conduct is unrighteous. Who can justify it? What wonder if officials and people say that England is willfully working out China's ruin, and has no real friendly feeling for her! The wealth and generosity of England is spoken of by all. She is anxious to prevent and anticipate all injury to her commercial interest. How is it then she can hesitate to remove an acknowledged evil? Indeed it cannot be that England still holds to this evil business, earning the hatred of the officials and people of China, and making herself a reproach among the nations, because she would lose a little revenue were she to forbid the cultivation of the poppy! The writers hope that his excellency will memorialize his government to give orders in India and elsewhere to substitute the cultivation of cereals or cotton. Were both nations to rigorously prohibit the growth of the poppy, both the traffic in and the consumption of opium might alike be put an end to. To do away with so great an evil would be a great virtue on England's part; she would strengthen friendly relations, and make herself illustrious. How delightful to have so great an act transmitted to after ages! This matter is injurious to commercial interests in no ordinary degree. If his excellency the British Minister cannot, before it is too late, arrange a plan for a joint prohibition (of the traffic), then no matter with what devotedness the writers may plead, they may be unable to cause the people to put aside all ill feeling, and to strengthen friendly relations as to place them for ever beyond fear of disturbance. Day and night, therefore, the writers give to this matter most earnest thought, and overpowering is the distress which it occasions them. Having thus presumed, to unbosom themselves, they would be honored by his excellency's reply."

Compare, now, I pray you, Mr. Editor, the conduct of these barbarians, willing to surrender a revenue of \$8,000,000 derivable from the import of opium, or, indeed, to make almost any other sacrifice in the interests of humanity, with that of those *Christian gentlemen* of her majesty's council who, with a certificate in their hand from the minister just then returned from China, of his belief in the absolute good faith and

sincerity of the Chinese authorities, declined to make any answer whatsoever to this solemn appeal in behalf of civilization.

Almost simultaneously with the determination thus manifested to force a great nation onward in the course of ruin, that same administration was to the last degree urgent in its desire for a commission by aid of which it should be enabled to obtain, at almost any sacrifice, discharge from claims for injuries inflicted upon the American people at a time when it was supposed that, like the Chinese, they were so weak as to be wholly unable to make resistance; and to the end of obtaining such discharge an eminent diplomatist was sent across the Atlantic with assurance of his advance to a marquise in the event of success in his negotiations. Simultaneously, too, that same administration looked on quietly while the Russian emperor reduced to rags that treaty of Paris by means of which he was meant to be trammelled in his movements toward further power in southern Europe and Asia.

Having studied these facts, Mr. Editor, you may, perhaps, now allow me to ask the question as to what would be your own opinion of an able-bodied man, in all the vigor of life, whom you had seen day by day, week by week, trampling on one older than himself, and so feeble in body and mind as to be wholly unable to make resistance?

Still, further, what would be your opinion of him when you saw him almost simultaneously "booming and boomed" to all the men stronger than himself by whom he chanced to be surrounded? My own opinion I cannot here venture to express. What it is, you may, as I think, very readily imagine.

How the atrocious policy thus described is viewed by some of the right-thinking among your own fellow citizens, is shown, Mr. Editor, in the following passage from the *Fortnightly Review*:—

"Mr. Gladstone, in speaking of the opium war with China, once remarked that 'justice was on the side of the Pagan,' Never was this more true than at the present time, when a Pagan government, in spite of domestic anarchy, of the paralyzing influence of official corruption, and of the perpetual menace of foreign intervention, yet nobly endeavors to exert what remains of its shattered authority on the side of virtue and the good order of the State. On the other hand, I know of nothing more ignoble than the heartless indifference with which the failure of these patriotic efforts is regarded by so-called civilized nations, or the immoral cynicism with which English statesmen not only excuse but justify our share in entailing the greatest of calamities on one-third of the human race. If it were possible for us to escape from the responsibility which must ever attach itself to the authors of the first Chinese War; if we could prove that, in forcing the legalization of the opium trade by the treaty of Tientsin, we yielded to iron necessity; if, moreover, we could demonstrate that our duty to India compelled us to prefer the temporary exigencies of revenue to the lasting interests of morality—it would still be incumbent on us to face the fact that our position is at once shameful and humiliating. But when we know that the direct responsibility of every act that has led to the degradation and rapid decline of the Chinese Empire lies at our own door, and that the policy which

has borne these evil fruits is still being, in a great measure, carried out by the concurrent action of Anglo-Indian administrators and British statesmen, the ignominy demands some fortitude for us to bear it. We, however, do bear it; and, at the same time, lose no opportunity of ministering to our self-love by pretending that wherever English commerce extends, or English influence penetrates, both confer untold benefits upon the less favored nations of the world.”

So much for the present, and now for the future. That, Mr. Editor, you may clearly understand what is the prospect as regards action in India, I submit for your consideration a passage from the *Contemporary Review*, for the last month, which reads as follows:—

“The motives of our Indian Government, and its policy with regard to opium, are patent and unmistakable. For the purpose of maintaining and increasing our opium revenue, the government has carefully studied the Chinese market; it has sent messengers to China to find out how the trade might best be advanced. With this view it has been proposed to direct a special inquiry as to the possibility of extending the cultivation of opium in the districts of the northwestern provinces; for this purpose our consuls in the Chinese ports regularly report on the condition and prospects of the opium trade, and for this purpose the *Times*, in February of last year, called attention to the propriety of appointing a commission of inquiry to ascertain the probable results of Chinese competition with our opium trade. For this purpose it can hardly be doubted the Indian Government are anxious to open up the trade route through Burmah, and so to pour a fresh stream of poison direct on the western provinces of China. It stands confessed that, like prudent people, we take care of our eight millions a year; but whilst we do so and maintain pressure upon China, we cannot deny that we are the lineal successors of those who waged the Opium War.”

Having most seriously demoralized the hundreds of millions of people who could be reached by means of the rivers of the east, it is now, as we see, proposed to perform a work of perhaps similar extent by means of roads in the west, and to the end of facilitating the movement, the home government would seem to be preparing for another war upon a people whose defenselessness has been so fully proved; Lord Derby having, in October last, told the people of Liverpool that, “for years past it has seemed probable to careful observers that some collision of this kind would take place. It has come at last, and we must do our best to bring it to good account, and make it the means of putting our relations on a better footing in future.” Treading on worms whose teeth have been proved incapable of biting, would seem, Mr. Editor, to be a very profitable amusement. That it is not a very unusual one on the part of your *Christian* government is shown in an article of your own *Fortnightly Review*, entitled, “How England makes and keeps treaties,” from which I take a passage, now recommended to your careful consideration, and which reads as follows:—

“In the same way and at the same time, we have everywhere obtained that our goods shall be imported into all these countries at duties of either three or five per cent. We are continuing to apply to Eastern nations this double system of tariffs, and jurisdiction of goods and judges. To attain those ends, we use all sorts of means, from courteous invitation to bombardments. We prefer to employ more eloquence, because it is cheap and easy but if talking fails we follow it up by gun-boats, and, in that convincing way, we induce hesitating ‘barbarians’ not only to accept our two unvarying conditions, but also to pay the cost of the expedition by which their consent to these conditions was extorted from them. We tried patience and polite proposals with Tunis, Tripoli, and Morocco. China was so unwilling to listen to our advice, so blind to the striking merits of our opium and our consuls, that we were obliged, with great regret, to resort to gentle force with her. Japan presents the most curious example of the series; it is made up of ignorance circumvented, and of indignation frightened. Indeed, if we had space for it, the story of the Japan treaties would be worth telling, because it is a very special one, because it is the newest triumph of our justice abroad, and because it may be taken as indicative of our present ‘manner,’ as painters say.”

The “story” of Japan, so well “worth telling,” is this: —

A dozen years since that country concluded treaties with Great Britain, France, and other European powers, closely resembling that with Turkey, and those with other Eastern nations, by means of which they have been so largely barbarized, and so generally ruined. Unused to treaty making, however, the Japanese authorities wisely inserted provisions by means of which it was supposed to be secured that those now made were to be replaced by others at the close of the first decade. That time arrived some four years since, and down to the last hour it was supposed that new treaties would be made. Not so, however, Britain at once asserting that there could be no “revision,” except with the consent of both parties, and that until such consent should have been obtained the original treaty must remain in force. From that time the Japanese government has stood in the position of being compelled to submit to all the provisions of a treaty whose maintenance cannot fail to result in utter ruin; or, on the other hand, risk being involved in war with a nation that has always in the Eastern seas more vessels of war than would be required to close at once all that great domestic commerce now carried on by means of boats and ships between the various towns and cities, islands and provinces of the empire. Here, as usual in all cases in which Britain is interested, the question is one of might and not of right.

Such, Mr. Editor, is the system against which I have counseled, not only for my own country but for all the countries of the world, that resistance which takes the form of protection to the farmer in his efforts at bringing consumers to his side. Were you a Japanese, would you not do the same? Were Adam Smith an American, would he not be a protectionist? Being a Briton, would he not say to his fellow citizens that all their wars were those of mere “shop-keepers;” all idea of either Christianity or civilization being made to give way to desire for the “almighty

dollar," however great the "folly and iniquity" attendant upon its acquisition? Would he not thus exhibit himself to the world as one of that class of thinkers which you have just now stigmatized as composed of ignoramuses and imbeciles? Assuredly he would.

In another letter I propose to furnish an exhibit of the results obtained in India, meanwhile remaining

Yours respectfully,
HENRY C. CAREY.

Philadelphia, March 17, 1876.

LETTER SIXTH

"In the time of its native princes," says Mr. Campbell in his "Modern India," India was a "paying country," and that such was the fact is absolutely certain. Their number was great and their mode of living luxurious beyond anything then known in Europe; but their people, profitably employed, were probably in the enjoyment of an amount of comfort fully equal to what could have been, then exhibited by any of the communities of the West. Now, however, when that great country has for more than a century, Mr. Editor, been subjected to an exclusive British control, we find a picture widely different; the princes and their magnificence having disappeared, and their palaces being occupied by mere clerks chiefly employed in gathering up the proceeds of a most oppressive taxation to be thence transmitted to that "city of palaces," Calcutta, where sits enthroned a representative of Her Majesty the Queen and Empress seriously engaged in contemplation of the unpleasant fact, that if he would avoid public bankruptcy he must still further misuse the power to poison and demoralize the hundreds of millions of Chinese people to whom he stands even now indebted for almost a fourth of the revenue he controls, the actual amount thence derived being in the close neighborhood of \$50,000,000. The change thus exhibited is the saddest that history anywhere records. To what has it been due? Let us see!

Local action, local combination, local expenditure of the proceeds of taxation, domestic commerce, exhibit themselves conspicuously throughout Indian history down to the commencement of the present century. If the cultivator contributed too large a portion of his grain, it was at least consumed in a neighboring market, and nothing went from off the land. Manufactures, too, were widely spread, and thus was made demand for the labor not required in agriculture. "On the coast of Coromandel," said Orme,*

* Historical Fragments, London, 1805, p. 409.

"and in the province of Bengal, when at some distance from a high road or principal town, it is difficult to find a village in which every man, woman, and child is not employed in making a piece of cloth. At present," he continues, "much the greatest part of whole provinces are employed in this single manufacture." Its progress, as he said, included "no less than a description of the lives of half the inhabitants of Hindustan."

While employment was thus locally subdivided and neighbor was thus enabled to exchange with neighbor, exchanges between the producers of food, or of salt, in one part of the country, and the producers of cotton and manufacturers of cloth in others, tended to the production of commerce with more distant men—whether within, or without, the limits of India itself. Bengal was celebrated for the finest muslins, the consumption of which at Delhi, and in Northern India generally, was large; the Coromandel coast being equally celebrated for the best chintzes and calicoes—leaving to Western India the manufacture of strong and inferior goods of every kind. Under these circumstances, it is no matter of surprise that the country was rich, and that its people, though often over taxed, and sometimes plundered by invading armies, were prosperous in a high degree.

The foundation having thus been laid in a great domestic commerce, that with the world at large was great; so great that exchange was then in favor of India with all the nations of the earth. Watt and Arkwright had then, however, given to Britain those means of under-working the world which have been since so unscrupulously used; and the monopoly thereof had been established by means of prohibition of the export not only of machinery itself, but of all the artisans by whom machines might possibly be made. To this was now, 1813, added the imposition of heavy duties on the import of India cottons, coupled with a prohibition of duties of any kind on English cottons imported into India. We have thus presented to us a course of proceeding the "folly and iniquity" of which are without precedent in the world's history; yet was it carried into so full effect that when Bishop Heber, a dozen or more years later, had occasion to visit the site of that great city of Dacca, which had been accustomed to supply the courts of Asia and of Europe with tissues so delicate as to be likened to "woven air," he found it a mass of jungle given up to the tiger and the elephant; as in fact was more or less the case with all other of the manufacturing cities of what had till recently been regarded as greatest of the empires of the world. As a consequence of this unhappy state of affairs, there went up soon after to the Sovereign, the Parliament, and the people of Britain, a memorial so sad as worthy to be placed now side by side with that of Prince Kung and his fellow councilors; its simple prayer being that, as British subjects, they might be placed on equal footing with other Britons, paying duties as they paid, neither more nor less. Then, as now, however, they appealed to hearts of stone—traders' hearts—their modest prayer receiving no attention whatsoever, and the work of annihilation going steadily forward until the cotton manufacture had disappeared throughout all that great region of country extending from "Bombay to Bokhara, from Smyrna to Samarcand," with "a ruin," said Sir Robert Peel, "without parallel in the annals of commerce."

The demand for labor now so far disappeared that Mr. Chapman in his "Commerce and Cotton in India," an ardent admirer of the system to which that effect had been due, was led, some five and twenty years since, to speak to his British fellow citizens in the words that follow :—

"A great part of the time of the laboring population in India is spent in idleness. I don't say this to blame them in the smallest degree. Without the means of exporting heavy and crude surplus agricultural produce, and with scanty means, whether of capital, science, or manual skill, for elaborating on the spot articles fitted to induce a higher state of enjoyment and of industry in the mass of the people, they have really no inducement to exertion beyond that which is necessary to gratify their present and very limited wishes: those wishes are unnaturally low, inasmuch as they do not afford the needful stimulus to the exercise requisite to intellectual and moral improvement; and it is obvious that there is no remedy for this but extended intercourse. Meanwhile, probably the half of the human time and energy of India runs to more waste. Surely, we need not wonder at the poverty of the country."

With the decline thus exhibited in the domestic commerce there came, of course, increase of difficulty in obtaining the means required for carrying on the government; and, as necessary consequence, a taxation so searching as to embrace not only all the instruments required for household uses, but also those, however small and insignificant, required for any purpose of manufacture; the land tax, meanwhile, being so increased as, according to your fellow-country-man Mr. John Bright, to take from the wretched laborer from 70 to 80 per cent, of the yield of land subjected to a cultivation of the most exhaustive kind. Add to this a rate of interest that for these miserable people ranged between 30 and 60 per cent, per annum, and you will, as I think, see, Mr. Editor, that the causes of the rebellion of '57 lay somewhat deeper than in the requirement of the government that sepoy should bite off cartridge ends that had been dipped in grease. Had there existed no better reason than this the close of that rebellion would not have been marked by those cold-blooded murders by which it now stands so much distinguished. Of all men there are none so bitter as the disappointed trader, and the Indian government had thus far been simply a representation of that "nation of shopkeepers" whose advent upon the stage was so greatly deprecated by Adam Smith.

With the close of that rebellion we reach the termination of the existence of the East India Company as a territorial power, and the commencement of that British Indian empire of which her majesty the queen is hereafter to be styled the empress. From that time forward the people of India were, as might have been supposed, to be regarded as fellow subjects with the men of Britain, liable to performance of the same duties, and equally entitled to claim respect for rights. Eighteen years having now already passed since such change in their political condition had been made, we may here inquire into the changes in their material and moral condition that have been brought about, as follows:—

The territory of the empire equals that of all Europe, Russia excepted; and its population now numbers two hundred and forty millions, being more than that of all Europe, like exception being made. Of this vast area a large proportion, probably half, belongs to the State as land proprietor, the revenue thence resulting being the rent that throughout Europe accrues to the proprietor subject to claims of the State in the form of tax. That rent now but little exceeds \$100,000,000, giving an average of twenty cents per acre from 500,000,000 acres; and yet the charge, as has been shown, frequently much exceeds fifty per cent, of the gross produce, and rarely falls below it. What, under such circumstances, is the condition of the poor agriculturist? What can be his power to contribute to the commerce of the world by making demand for the products of other lands I leave it to you, Mr. Editor, to determine.

Unable to obtain further contributions from the land, the government finds itself perpetually in need, and hence it has been that a writer in one of your public journals, some four years since, felt himself warranted in thus furnishing description of the movement:—

"In the last ten years the salt tax, already most oppressive, has been five times increased; a heavy income tax has been imposed, and taxes on feasts and marriages have been proposed; two and a quarter millions of people have died of famine; the debt, including guarantees of badly constructed and expensive railroads, has grown to nearly \$500,000,000, the sole reliance for payment of interest thereon being now found in the continued maintenance of the power to poison the Chinese people with the produce of Indian opium fields."

Salt being a prime necessity of life, and the income derived from its consumption being in the neighborhood of \$30,000,000, or almost a third of that derived from the land, I have now to ask your attention to the tax thereon, and its effects, as follows:—

To a great extent the manufacture is a monopoly in the hands of government, requiring for its maintenance, as we are told, an army of thirteen thousand men. What additional supplies are required might readily be obtained from provinces on the coast, and mainly from Orissa; but, as if to prevent development of such industry, the salt there produced is, on free trade principles, equally taxed with that brought from England as ballast for ships coming to load with rice, jute, cotton, and other rude products, and paying, probably, as freight less than would be required for carriage of the home product to the markets of the provinces north and east of the Hoogly. As a consequence, these latter are so well supplied with foreign salt that, at times, the domestic manufacture is entirely suspended; poor people who see it then wasting almost at their doors being required to pay for what they need at so high a price that the fish in which their rivers so much abound is merely dried in the sun to be thereafter eaten in a half putrid state. The cost of manufacture is 16 cents per cwt. The tax is 104 cents, and it is said, therefore, to be not unusual to give for a pound of salt no less than nine pounds of rice; thus reversing the order of

things here observed, where the *protected* salt manufacturer is accustomed to give several pounds of salt for a pound of flour.

The combined revenue derived from salt, one of the most pressing needs of India, and from opium, the great enemy of China, varies little from \$76,000,000; or three-fourths as much as the rents derivable from a territory more extensive than France, Belgium, Germany, Spain, and Italy combined, occupied by a people who would gladly work were they allowed so to do. Why is this? For the reason that every step taken by the government has tended to the suppression of that domestic commerce in whose absence there can arrive no such thing as a real agriculture. It may be said, however, that railroads have been constructed, and that public aid had been given in that direction. When, however, you, Mr. Editor, shall have carefully studied the facts, you will see that these are merely intended as aids to the foreign trade, enabling cotton to reach the ports on the way to Manchester, and British goods to make their way more readily to the interior, to the further destruction of the little domestic commerce that yet remains.

What now, under this admirable “free trade” system, has become the contribution of this vast country and its amiable and well-disposed people to the great commerce of the world? Of cotton received last year in Britain, to be there spun and woven and then to be returned to India, the quantity was 251,000,000 pounds, the equivalent of little more than half a million of American bales. Outside of cotton and of the opium forced upon China, the total annual export, consisting of rice, jute, tea, coffee, and other rude products of the soil, scarcely exceeds \$120,000,000, or fifty cents per head of the total population. Such is the grand result at which we have arrived at the close of a period of nearly twenty years, throughout the whole of which the road to a great international commerce for a grand Indian empire was, as the world has been assured, to be found in the direction indicated by the British free-trade system!

What now, Mr. Editor, becomes of the revenues thus extorted from the poor salt consumers of India, the degraded opium consumers of China, and the wretched laborers on the land of India? For answer to this question, I present an extract from Mr. Torrens's recent work, “Empire in Asia,” which reads as follows:—

“Nineteen-twentieths of our taxes are annually, monthly, it might almost be said daily, respent among us; while of the revenues of India a large portion is exported hither to furnish us with extra means of comfort and of luxury. The manure is thus continually withdrawn from Eastern fields to enrich the island gardens of the West. It has been variously estimated that, irrespective of interest on debt, six, seven, and even eight millions a year are drawn from India, to be spent by Englishmen either there or at home. The process of exhaustion may be slow, but it is sure. . . . We have laid the people and princes of India under tribute, and after a century of varied experiments, the only limit of exaction seems to be the physical capacity of the yield.”

Why the yield is so very light, may readily be understood by those who study on the shores of the great Indian rivers, and especially on those of the Mahanadi as shown in Hunter's “Orissa,” the waste of animal food; the waste of vegetable food in

the Punjab and other provinces of the North; the waste of life from frequent and destructive famines; the universal waste of labor consequent upon an absence of demand therefore; and then look to the fact that all this poverty and waste are consequent upon the pursuit of a policy which imposes upon these poor people a necessity for sending the cotton crop tens of thousands of miles in search of the little spindle by aid of which it is made to undergo the first and simplest process of manufacture; to wit, its conversion into yarn. Under such circumstances need we wonder at the poverty which enforces continuance of the infamous opium traffic?

Sir Thomas Munro, than whom there is no higher authority, thus described, half a century-since, the people of this great country:—

“I do not exactly know what is meant by civilizing the people of India. In the theory and practice of good government they may be deficient; but if a good system of agriculture—if unrivalled manufactures—if a capacity to produce what convenience or luxury demands—if the establishment of schools for reading and writing—if the general practice of kindness and hospitality—and, above all, if a scrupulous respect and delicacy towards the female sex, are among the points that denote a civilized people, then the Hindoos are not inferior in civilization to the people of Europe.”

Recently Mr. Torrens has described the barbarians of India, the treatment of whose descendants at the hand of British travelers and traders has been so well exhibited by Lord Elgin, in the words that follow:—

“The governments of Southern Asia, when we began to meddle in their affairs, were strangers to the system of penal laws, which were then among the cherished institutions of our own and nearly every other European State. While no Catholic in Ireland could inherit freehold, command a regiment, or sit on the judicial bench; while in France the Huguenot weaver was driven into exile beyond sea; and while in Sweden none but Lutherans could sit as jurors; and in Spain no heretic was permitted Christian burial—Sunis and Sheahs, Mahrattas and Sikhs, competed freely for distinction and profit in almost every city and camp of Hindustan. The tide of war ebbed and flowed as in Christian lands, leaving its desolating traces more or less deeply marked upon village homesteads or dilapidated towers. But mosque and temple stood unscathed where they had stood before, monuments of architectural taste and piety, unsurpassed for beauty and richness of decoration in any country of the world.” . . . “Though the supreme governments were nominally absolute, there existed in the chieftains, priesthood, courts of justice, the municipal system, and above all, in the tenant-right to land, numerous and powerful barriers in the way of its abuse.” . . . “Property was as carefully protected by the laws as in Europe, and their infringement sometimes cost a prince his throne or life.”

It is the hundred millions of an admirable people thus described that have been so sacrificed at the Manchester altar as to have produced a need for three wars

having for their sole object the raising of revenue by means that are rapidly bringing about a demoralization of the hundreds of millions of Chinese people. May I not be permitted to object to this, leaving you, Mr. Editor, to determine on which side lie the “folly and iniquity” that have been charged?

May I not be permitted to ask you if the “free trade” proceedings of the last twenty years have tended to promote the growth of commerce; to increase the admiration of poor Hindoos for the teachings of the Christian church; or to advance the cause of civilization?

Respectfully soliciting a reply to these questions, I am,

Yours respectfully,
H. C. CAREY.

March 20, 1876.

LETTER SEVENTH

Students of Roman history, Mr. Editor, are accustomed to regard proconsular administration as the perfection of all that is discreditable and destructive in the way of government; yet is the little finger of British traders in India more oppressive and more ruinous than were the hands and arms of Verres and Fonteius as exercised in Sicily and Gaul. That these latter largely robbed the subject peoples is very certain; equally so, however, is it that, unlike to what has so steadily been done in India, they never struck at the sources of production. Happily for the provincials the Senate sought dominion, and not a mere monopoly of trade and manufacture. Nowhere do we find it following up rebellion, thus provoked, by measures so mercilessly vindictive as those which followed suppression of that Indian one of ‘57. Among its members there were many who had “itching palms,” but nowhere does it stand recorded that they had invoked the aid of law for compelling subject nations to deal with thorn for pins and needles, cloth and iron. Nowhere does the government present itself as allied with smugglers for forcing, despite all opposition, supplies of poison on a neighboring and friendly nation, thus making itself from hour to hour more dependent on a trade debasing to its subjects and destined in the end to prove a cause of their utter ruin.

What the Hindoo is now, servile as the men of the so-long-protected Japanese people are independent, he has been made. What he may become, and how he may be led to act, is shown in the assassination of the late Viceroy, Lord Mayo, whose latest expression in regard to dangers to be apprehended in the future is here given, here as follows :—

“A feeling of discontent and dissatisfaction exists among every class, both European and native, on account of the constant increase of taxation which has for years been going on. My belief is that the continuance of that feeling is a political danger, the magnitude of which can hardly be over-estimated; and any sentiment of dissatisfaction which may exist among disbanded soldiers of the native army is as nothing in comparison with the state of general discontent to which I have referred. . . . We can never depend for a moment on the continuance of general tranquility; but I believe that the present state of public feeling, as regards taxation, is more likely to lead to disturbance and discontent, and be to us a source of greater danger, than the partial reduction which we propose in the native army can ever occasion. Of the two evils I choose the lesser.”

The danger to be apprehended, as here is shown, is that resulting from a constantly increasing burthen of taxation resulting from an absence of domestic commerce, and a constantly increasing necessity for exporting the soil in the form of cotton, jute, and other raw materials, returning nothing to the land. What, however, in this respect, Mr. Editor, is to be the course of things in the days to come? For answer to this question turn, if you please, to a quite recent article of your own, and find therein a recommendation to the poor Hindoos to accept, as a great “boon” to themselves, permission to assume the payment of \$4,000,000 of taxes now paid, as admitted by the men of Manchester themselves, by traders who have been deluging the markets of India with cottons that cannot stand a single washing, in the hope thereby to crush out a native manufacture that, under the stimulus of a protective duty of only 5 per cent., is now advancing with such rapidity that the capital invested therein had grown in the eighteen months ending in November last from twenty-two millions of rupees to almost forty millions. Turn next to another article but few days later in date, expressing extreme anxiety in relation to the constantly diminishing value of that silver coin which now constitutes the sole currency of India; and showing that, to the end of maintaining the salaries of officials and the revenues of British creditors it may become necessary, in violation of all existing contracts, to substitute gold for silver in payment of rent and taxes, thereby compelling the already impoverished cultivator to use a metal to which, as money, he has hitherto been an almost entire stranger; that, too, at a time when the demand therefore increases from day to day, with corresponding decrease in the supply derived from Australia and from our Pacific States, and as steady increase in the power of the money lender to demand payment for its use.

Less than twenty years since, alarmed at the idea of a deluge of gold, attended with constant decrease in its value as compared with silver, M. Chevalier, as anxious then in relation to government and other creditors as you, Mr. Editor, now are, proposed a demonetization of the nobler metal, and in this idea he was supported, as I think, by Mr. Cobden. Had their anticipations been realized, and had their suggestions been carried into practical effect, silver would have been steadily growing in price, enabling the Indian government to pay with four or live ounces as much interest as it now pays with six. Would that, however, have led to any such

movement toward diminution of rents, as is now proposed in reference to their increase? Not at all, and for the reason that, as we here are told by M. De Tocqueville—

“In the eyes of the English, that which is most useful to England is always the cause of justice. The man or the government which serves the interests of England has all sorts of good qualities; he who hurts those interests, all sorts of defects; no that it would seem that the criterion of what is right, or noble, or just, is to be found in the degree of favor or opposition to English interests.”

That, in face of Lord Mayo's serious admonition, any such measure of confiscation, or, indeed, any one of increased taxation, will be adopted, can hardly be believed; and you yourself, Mr. Editor, seem to regard it as being doubtful in high degree. Something, however, must be done if the credit of the government is to be maintained. What shall it be? Where shall we look? To the one and only source that, as you yourself so clearly see, can be at all relied upon, to wit, A FURTHER DEVELOPMENT OF THE INFAMOUS OPIUM TRADE; that being the point at which the Head of the British Church, her ministers, Parliament, and bench of bishops, have arrived at the close of almost twenty years of imperial and free-trade government of the hundreds of millions of people of whom the population of her majesty's Indian empire now consists; and who, before the invasion of your countrymen, constituted one of the most highly civilized and self-supporting nations of the world. Loud and frequent, Mr. Editor, have been the commendations by your journal of the admirable conduct of the government, and of Sir Bartle Frere, in endeavoring wholly to suppress the little remaining slave trade of Eastern Africa. Singularly enough, however, it has rarely, if even ever, called attention to the fact that there had been developed in Eastern Asia, and by Englishmen, a slave trade such as is here below described :—

“Between the intoxication of ardent spirits and that of opium,” says a writer in the *Chinese Repository*, “there is but one point more of difference deserving of particular attention, and that is the *tenfold* force with which every argument against the former applies to the latter. There is no slavery on earth to be compared with the bondage into which opium casts its victim. There is scarcely one known instance of escape from its toils, when once they have fairly enveloped a man. The fact is far too notorious to be questioned for one moment, that there is in opium, when once indulged in, a *fatal fascination* which needs almost superhuman power of self-denial, and also capacity for the endurance of pain to overcome. The operation of opium is, on this account, far more deadly by many degrees than its less tyrannous rival.

“It is the *after* or *secondary* effects of this drug which have such a destructive influence on the constitution. Its continued use destroys the natural appetite—deranges the digestive organs—impedes the circulation, and vitiates the quality of the blood—depresses the spirits, and gradually weakens the power of the involuntary nerves as well as the volitions of the mind; thereby taking away the powers of free agency, and converting the man into the brute. How expressive the remark once made

by a distinguished mandarin: *It is not the man that eats the opium, but it is opium that eats the man.*”

Might it not be well that the British people should free themselves from the beam that obstructs their own sense of vision before undertaking to remove the mote that dims the sight of the Sultan of Zanzibar?

How this horrible traffic, Mr. Editor, affects the progress of Christianity in the East is shown, says a writer in the *Contemporary Review* herein before referred to, by the fact that sixteen missionaries writing in Canton and belonging to different nations and denominations, concurred in the spring of last year (1875) in stating that

“The fact that people of Christian nations engage in the traffic, and especially that Great Britain to a large extent supplies the China market with opium, is constantly urged as a plausible and patent objection to Christianity.”

Even more emphatic was the language used by the Bishop of Victoria (Hong Kong)—

“I have been again and again stopped while preaching, with the question, ‘Are you an Englishman? Is not that the country that opium comes from? Go back and stop it, and then we will talk about Christianity.’”

That the Christianizing and civilizing effects of the system thus maintained by the heads of the Protestant Episcopal Church of England are not limited to China is, Mr. Editor, proved by an English missionary in Rangoon who states the humiliating fact, that before the English came to Burmah drunkenness and opium smoking were almost unknown, but that those evils have now spread so rapidly that a great part of the revenue of the government is derived there from.

From an Eastern proverb, Mr. Editor, we learn that “curses like young chickens always come home to roost.” For evidence that the truth of this is proved among yourselves, and that the “curse” inflicted upon China by the British people and their government has now really arrived at home, allow me to ask your attention to the facts here given as to the growing intemperance among the people by whom you yourself are surrounded, readers of the Times and others, as follows:—

Consumption of intoxicating liquors in the United Kingdom—

	1860	1869.	Inc. p. c.
Spirits, foreign and domestic	26,924,611	30,114,624	11.84
Beer, ale, and porter	674,170,326	895,004,412	31.27
Wine	6,718,585	14,723,534	119.31
Aggregate gallons	707,814,922	929,842,570	31.37

The population in this period increased 7 1/2 per cent.

The first of these years was one of great prosperity, American free trade making large demand for the products of British furnaces and mills. The second was one of still continued depression resulting from the great financial crisis of 1866. None of the increased consumption of liquor can, therefore, be traced to excitement in the demand for labor, or to increase of money wages. All the facts connected with the consumption of commodities other than liquor tend, on the contrary, so far as they have come to my knowledge, to prove a diminution of consumptive power.

Seeking, Mr. Editor, to understand the causes of the growing demoralization thus exhibited, you need, as I think, do little more than turn to the new *Doomsday Book*, there to find that by aid of taxes levied upon the people of the world at large 12,000 persons have been enabled to centre in themselves the ownership of thirty out of the thirty-four millions of acres of English land in any manner susceptible of improvement. Add to this the fact that half of Scotland is owned by about twenty persons; thereafter finding in wretched agricultural laborers the descendants of the small proprietors, and the cottagers, of the days of Adam Smith and Arthur Young, and you will find but little difficulty in understanding why such things are. The more that land is monopolized the greater is the tendency toward division of its occupants into two great classes—the very poor and the very rich—slaves on one hand and masters on the other. So was it in Rome. So has it been in our Southern States. So is it now in India. How it is in Britain is clearly shown in the following passages descriptive of the extremes of society, from one of the most respectable of English journals:—

“It is coming rapidly to this—that a first-class leader of society with a first-class fortune, to be on a level with his position, wants, or chooses to think he wants, a house in London, a house on the river, two palaces at least in the country, a shooting-box in the Highlands, a hotel in Paris as costly as his London house, a villa at Como ; a floor in Rome, an establishment in Cairo or Constantinople, a yacht, a theatre, and a racing stud, and then thinks that life is as monotonous as it was when ‘in his cool hall, with haggard eyes, the Roman noble lay.’”—*Spectator*.

“Children of both sexes and of all ages, from five up to sixteen, are, in fact, sold by the wretched laborers to the gang-masters at so much per head per week, generally, we are bound to add, out of the direst poverty. The ganger, having collected his children, takes them away to his job, forcing them to walk, or, if needful, to carry each other, for distances; which often involve of themselves great cruelty. Five miles out and five back is thought nothing of, in addition to almost continuous labor for at least ten hours a day....The laborers in many English parishes are coarse enough, but among these poor wretches civilization disappears. . . . The single amusement is obscene talk, which becomes so shocking that the very laborers are revolted, and declare they would sooner turn out of the road than meet the gangs returning. All the offices of nature, say twenty witnesses, are performed in public by both sexes, without the faintest effort at concealment. Boys and girls of all ages bathe together stark naked, and the most infamous actions are boasted of with a shamelessness rarely found among savages.”—*Ibid*.

When, Mr. Editor, you shall have given full consideration to the several facts that thus far have been presented, you will, as I think, be led to the conclusion, that, in ascribing to those who, in common with Adam Smith, believe in the advantage of domestic commerce as compared with foreign trade an entire monopoly of economical “ignorance and imbecility, folly and iniquity,” you have made a mistake so serious as to warrant careful reconsideration of the whole subject matter. The more thoroughly that shall be given, the more must you be led to appreciate the importance of looking inward and seeing “ourselves as others see us;” the more, as I think, must you be led to the conclusion that in the views here below presented by the great political philosopher of the age there is so large an amount of truth as should make it imperative on the part of every right-minded Englishman to review the past with a desire to amend proceedings in the future.

“The Indian mutiny and the Crimean war show the little sympathy for England abroad. . . . I venture to affirm that the whole Continent, though it detested the cruelties of your enemies, did not wish you to triumph. Much of this is, without doubt, to be attributed to the evil passions which make men always desire the fall of the prosperous and the strong. But much belongs to a less dishonorable cause—to the conviction of all nations that England considers them only with reference to her own greatness; that she has less sympathy than any other modern nation; that she never notices what passes among foreigners, what they think, feel, suffer, or do, but with relation to the use which England can make of their actions, their sufferings, their feelings, or their thoughts; and that when she seems to care most for them, she really cares only for herself. All this is exaggerated, but not without truth.”—De Tocqueville, *Correspondence and Conversations with N.W. Senior*, London, 1872.

Since the date of the letter from which this passage has been taken, little less than twenty years have passed. Have they in their course exhibited any improvement in the modes of thought among your countrymen? Have these latter become less selfish than they before had been? For answer to this question allow me to refer you to your own comments, now not a fortnight old; upon Lord Salisbury’s lame defense of his Indian policy, to the end that you may determine for yourself if they exhibit a single liberal or generous word in reference to the poor Chinamen; a single word calculated for bringing home to the minds of your readers perception of the fact that relief to Manchester could be looked for in but one direction, to wit, to the extension of a trade more disgraceful to the nation engaged therein than any other that stands recorded, the slave trade not excepted. The Africans imported into the British American possessions, insular and continental, numbered less than two and a half millions; not a tithe as many as the Chinese who have already been enslaved and ruined by means of an enforced traffic whose long-continued maintenance must for all the future stand as evidence that, to this hour at least, Britain had had no national conscience whatsoever.

Begging you now to remark, Mr. Editor, that all the “folly and iniquity” thus exhibited comes as necessary consequence of a determination not to permit the people of India to participate with protected nations in the advantages resulting from growth of that domestic commerce so much admired by Adam Smith,

I remain yours, respectfully,
HENRY C. CAREY.

Philadelphia, March 25, 1876.

LETTER EIGHTH.

In conclusion, Mr. Editor, allow me now to call your attention to some important facts that present themselves for consideration on a survey of the world at large, as follows:—

The Turkish Empire possesses in an abundance almost every natural advantage. Nevertheless, having been forced to submit to British free trade policy, her domestic commerce has disappeared, and she herself has become so utterly ruined that foreign governments are now preparing to administer on her estate, to the end that their own subjects may be enabled to obtain some portion of their claims.

India, forced to submit to a free trade policy, is now, for means with which to pay the mere interest on her debts, wholly dependent on her ability to extend the destructive and infamous opium trade.

Peru, the States of the La Plata, and other of the Spanish American States that have been mainly dependent upon Britain, are in a state of financial ruin.

Australia, self-governing and determined on the establishment of a domestic commerce, is now, on the contrary, so prosperous that immigration is rapidly taking the place of the emigration that had commenced.

Prussia, having, after many years of effort, established for Germany a perfectly free domestic commerce, finds herself now in the lead of one of the most powerful empires of the world.

France, always intelligently protective, is today commercially more independent than any other country of the world.

Prior to 1860 these United States, as has been shown, with two brief and brilliant exceptions, were subjected to an almost free trade system, as a consequence of which exchanges between the North and the South were effected through the port of Liverpool, which thus was constituted the great hub of American commerce. As a further consequence, all the main lines of road ran from west to east, the absence of domestic commerce making it quite impossible that north and south roads could profitably be made. The warp(?) was there but the filling was not, and the more the

former grew in size and strength, the greater became the tendency toward separation of those parts of the Union which believed in the freedom of man from those whose belief in the morality of human slavery became more and more confirmed as the necessity for abandoning their exhausted lands, and for transferring their slaves to those newer States became more imperative. Of all this the late rebellion was a necessary consequence, the offering thereby made on the free trade altar counting in lives by hundreds of thousands, and in treasure by thousands of millions. — Since 1860, the policy of the country has looked in a contrary direction, toward the establishment of domestic intercourse; as a consequence of which northern and southern roads, by means of which the various parts of the Union are to be tied together, have now been made, with a growth of internal commerce that places the country fully on a par with any other nation of the world. So much, Mr. Editor, for having, although now for only fifteen years, conformed our policy to the teachings of that greatest of economists, Adam Smith.

Compare now, Mr. Editor, the contributions to the general commerce of the world made by those countries whose policy tends toward development for domestic commerce, with those made by communities subjected to the British free trade despotism, and then determine for yourself which are the parties to this discussion most justly chargeable with the “ignorance and imbecility” of which you have so freely spoken; and believe me.

Yours, respectfully,
HENRY C. CAREY

Philadelphia, March 27, 1876