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**THE SOCIOLOGICAL POSITION OF PROTECTION AND
FREE TRADE.***

BY LESTER F. WARD.

If there is a social science, there is no social movement which cannot be referred to some principle of that science. The banks of foam and clouds of mist that the two tenets known as Protection and Free Trade have raised on the sea of American politics must be the result of powerful undercurrents of social and industrial activity, and it is these alone that are worthy of our serious attention.

The essential attribute of a science is the existence of a group of phenomena which are uniform under like conditions. The effects of these phenomena are then called natural forces, which also are uniform and reliable. In the physical world, and, so far as known, in the world of life this holds true, and the question as to whether there is any such science as sociology depends upon whether it holds true also in the social world. Here is not the place to discuss this question, and I shall assume that sociology is a true science, and that society is a theater of true natural phenomena and forces, though these are admitted to be highly complex, obscure, and as yet very imperfectly understood.

From the point of view of the value of science to civilization it is readily seen that in the physical world it has first been necessary to learn the laws of phenomena and the nature of forces and then, by the aid of this knowledge, to control such phenomena and forces, and render them subservient to human needs. In the social world,

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it is clear that the same steps must be taken before the science of sociology can be of any use to man.

In the light of these general statements I will now attempt to explain the scientific position of both Protection and Free Trade, as these terms are currently understood, and to relegate each to its proper group or class of sociological conceptions. In so doing I shall be obliged to dwell somewhat more upon protection than upon free trade, because the former is a far more complicated principle, and from a theoretical point of view very imperfectly understood; while the latter has been taught in most institutions of learning from time immemorial, not merely as a policy, but as a theory, and ought, at least, to be thoroughly understood. How superficially it is really understood I shall hope to show.

It has always been maintained on the one side, and scarcely denied on the other, that in theory the doctrine of free trade is invincible, and the fact that most chairs of political economy teach it, and most scholars accept it, even in this country, is pointed to as an illustration of the power of a theory, or abstract principle, even when it seems to contravene so many interests. Aside from the question whether an alleged principle can be sound from an economic standpoint which obviously opposes such large interests, it is perhaps time to return to so-called first principles and hazard the inquiry whether protection may not also be defended upon theoretical grounds, and whether it, too, may not rest on a principle of economics capable of being formulated in thought.

I maintain that there is a theory of protection, and I propose in this paper to condense into as narrow compass as possible the statement of this theory and of its true relations to the theory of free trade.

The theoretical protectionist and the free trader both start from the same postulate, viz., that the test of soundness in a principle is that its application results in the general good of human society in the widest sense. The free trader claims that his theory is cosmopolitan, that it reaches beyond the narrow limits of petty states or separate nationalities and takes the whole commercial world into its beneficent embrace. He charges the protectionist with advocating a policy which, if beneficial to any one, is so only to the people of his own country, who are benefited at the expense of other people. He may admit that protection helps to make a nation self-sustaining and independent of other nations, but he insists that this is not only

a narrow and semi-barbaric policy, but one which has really to be paid for by the protected people, since the duties levied upon foreign articles must be paid by the consumer whether he consume these foreign articles or the domestic ones the production of which is due to protective duties. The reasoning certainly seems sound, and, studied as a maxim without reference to the market, the theory of free trade appears to commend itself to all logical minds. The chief flaw that it presents to the student is that with reference to redundant transportation, and in the college lyceums the question is perpetually being debated whether it can be really economical to transport raw material across the Atlantic and then bring it back again in the form of a finished product, even though that product cost less to the consumer by such double transportation. To some unsophisticated sophomores there seems to lurk a fallacy in the assumption that this is true economy.

In considering a theory of protection it should first of all be observed that a protective tariff is only one of a large class of means which not only states but corporations, institutions, and individuals adopt to secure a certain end, viz., to encourage activities that are supposed to be beneficial to society. Few will deny that it is both a right and a duty to adopt any means that can be proved to be for the general good. The common principle which embraces all forms of protection is that of the subvention or bounty. It does not differ in any essential respect from the prize. The theory of prize-giving may be, and doubtless sometimes has been, carried to excess or applied in cases where it has worked more evil than good, but upon the whole it has proved one of the most productive sources of well-directed activity. Institutions of learning, in which we may assume that the most enlightened attention has been given to such questions, have very generally adopted some form or other of the prize system. The only evil that is ever complained of as resulting from this practice is that of supplying an undue stimulus and causing a dangerous degree of intellectual activity in immature minds. This is itself the strongest certificate of the success of the principle, and only proves that like all powerful agencies it must be employed cautiously and with judgment.

Whenever the state has applied this principle it has always proved effective. I do not say that it has always been beneficial. That depends upon the wisdom of the legislature. But if the end sought has been a useful one the policy has proved sound. The offering of

bounties for the successful accomplishment of objects admitted to be desirable has already proved highly successful, and should it be generally resorted to by governments as a means of removing great social evils and securing valuable inventions, I have no doubt it might become a powerful engine of civilization. As yet, however, governments have resorted to this principle only in certain great emergencies, and then it has been given special names which have the effect of masking its real character. In fact, it must be confessed that legislators have not grasped its full import. They have not understood its true nature. They have always treated each case specially and by itself, without attempting to refer it to any higher general principle. They do not see that the subsidy they have voted to a railroad enterprise, the bounty they have granted to a steamship company, and the protective duty they have imposed upon a certain article which can be manufactured at home, are all acts of essentially the same nature, and that they do not differ in any general respect from an act to award a prize to the discoverer of a remedy for yellow fever or to the inventor of the best fire-escape. There are some narrow-minded people who oppose all such measures on the ground that public money is thus given to private individuals. But if the results are regarded as of value to the country at large, I can see no difference between this and the payment of salaries to the officers and employés of the government for the transaction of its necessary business. If the end is not a desirable one, then the legislation is unwise and to be classed along with the creation of sinecure offices. As a matter of fact, however, the end is usually regarded as of the greatest value, and if attained it is supposed to justify almost any expenditure.

The principle, then, to which all such legislation belongs is that of inducing individual members of society to put forth exertions which are foreseen to be beneficial to society at large. Elsewhere I have characterized this as "attractive legislation" in contradistinction to the predominant mandatory, prohibitory, or coercive legislation. The former enforces itself, the latter requires a large number of officers, courts, lawyers, constables, posses, and policemen, and involves heavy expense in its enforcement. In the former the result is as certain as the succession of day and night; in the latter it is never certain and rarely complete. In the former, the effect is to inspire respect on the part of the people for their government and love of their country; in the latter, government is made odious and the state becomes an object of hate and suspicion.

If we define sociology as the science which treats of the laws of social action, we may consider attractive legislation as an attempt to deal with the social forces in precisely the same manner as the physicist deals with physical forces, with a view to their control and utilization. Comparing the law according to which men will always seek the greatest gain to the law by which water will always flow toward a lower level, there is no difference in principle between an act of government which makes it a gain to do what is useful to society and an act of an individual which deflects a stream of water into a useful channel, whether it be an irrigating ditch, a mill-race, or a canal. The two acts are, scientifically speaking, identical. But the latter act is only a simple case of the economical employment of a natural agent, and all material progress has resulted from the multiplied repetition of such cases in the more or less complete subjugation of nature to human needs. The forces of nature have been controlled by intelligence acting upon phenomena, and attractive legislation differs from all other modes of controlling natural forces only in dealing with social phenomena. There are no social impulses that are essentially bad, none that may not be made to work for good by simply discovering and applying successful methods to this end.

The great economic principle is that civilization depends entirely upon the intelligent control of natural forces, including the social forces, and their direction into channels of human advantage. These forces left to themselves always run to waste, often become hostile to man. Such is the case with fire, water, steam, wind, electricity, etc. It is only by controlling, regulating, and directing them that they become the servants of man. The same can be shown to be true of the vital forces in vegetable and animal life. The valuable products of either kingdom are those which have been brought to perfection by thought, labor, and skill. It is also true of the social forces which have proved susceptible of control, regulation, and intelligent direction through the application of the same principle as that which has reduced the rest of nature to subjection.

It is only very rarely that states have made use of this strictly inventive principle in controlling the complex forces and phenomena of society. Rulers and legislators have generally found no better way to secure what they regard as useful ends than to command the people to do certain acts and punish them if they do not. But there are a few cases where states, especially in more modern times, have

devised other means to secure their ends, means which embody to a greater or less degree the scientific principle of invention. Much ingenuity has always been employed in obtaining revenue at the least expense and friction, and the imposts that were formerly collected upon goods in transit from one part to another of the same country were the origin of the term *laissez faire*, which has now become the rallying cry, not only of those who favor free trade, but of the whole school of philosophers who call themselves individualists. The system was vicious because the end was bad, but as a means of raising revenue it was successful. The same system was extensively applied to trade between different countries, and though still worse in principle it was more successful, because foreign countries had no right of petition. Strange to say, it is this same vicious system of restricting trade for the sake of raising revenue that is to-day defended in this country, and, still stranger, defended by those who, in varying degrees, are advocating free trade. For a "tariff for revenue only," which is a watchword of one of our American parties, is nothing else than a plan of raising revenue by restricting trade. Properly viewed, those who advocate a tariff for protection only come much nearer to being free traders than those who advocate a tariff for revenue only, and when the question of the relative justness of the different modes of taxation is considered, the tariff for revenue proves the most unjust that can be adopted short of the simple poll-tax; for it is only when duties are levied upon articles that cannot be produced in the country that levies them that it really becomes true that "a tariff is a tax." It is proved by the history of American tariff legislation and that of prices that a tariff for protection not only is not a tax, but that it is often a means of reducing prices and preserving a healthy competition. Illustrations are abundant, and the mere mention of American watches, steel rails, and woolen goods is sufficient. All of which is entirely independent of the other paramount advantages which a state can secure by a wise and judicious strictly protective tariff.

Resort to a tariff for protection was had much later than to a tariff for revenue. As statesmen became wiser and more far-sighted they began to perceive that by regulating trade so as to keep out products that can be obtained at home, the resources of their respective countries could be developed and nations rendered self-sustaining and independent. This national sentiment was the principal motive in securing the adoption of protective tariffs, and it is

undoubtedly still one of the leading motives. A statesman is not a humanitarian, but the history of this movement has proved that with states as with individuals those acts which are performed in self-defense are usually the ones that best conduce to the collective weal.

Experiment soon showed that this ingenious economic device, as it may be called, not only brought revenue to the treasury and independence to the state, but prosperity to the people. By it the very character of the population of a country may be changed and an almost exclusively agricultural people may be transformed into a people of multiplied pursuits, each individual ministering to the needs of all the rest. From a dull and monotonous life of Arcadian simplicity the same community becomes awakened into physical and mental activity, and industry, traffic, and trade fill the country with all the characteristics of a free, enlightened, and enterprising nation. Of all the means that have thus far been hit upon by statesmen for the beneficial modification of social phenomena and the attraction of human activities into advantageous channels, that of the protective tariff has proved the most successful and far-reaching in its effects.

Such being the theory of protection, I propose next to contrast it with that of free trade. Free trade does not, any more than protection, constitute a general economic principle; it is only one of the applications of such a principle. That principle itself, as already remarked, is what is now expressed by the term *individualism*. It is perhaps still better known by the French expression *laissez faire*, called in English the let-alone policy. The origin of this phrase is to be found in De Gournay's celebrated maxim "laissez faire, laissez passer," launched against the pernicious policy of his time, of government interference in the business interests of the people, and the obstruction of trade by the imposition of odious tariffs for revenue, not only on foreign but on domestic merchandise. The second term of this maxim, *laissez passer*, is the exact equivalent of our expression, free trade. The first term, *laissez faire*, has been expanded into the generic notion of governmental non-interference in social affairs, and in this sense it includes free trade and is equivalent to individualism, the ultimate limit of which is anarchism, the extreme logical opposite of which is socialism. Everybody, except the socialist, believes in a certain

amount of free trade and in the greatest freedom of social action consistent with the rights and liberties of all. An excellent rule would be never to interfere with business or trade unless the good of society can be clearly shown to justify it; and by the side of this should be placed the additional maxim never to interfere by force where an inducement can be held out that will secure the desired end.

But in order fully to understand the economic principle of *laissez faire* and free trade we must, as in the previous case, make the instructive comparison of social with physical phenomena. We must keep firmly in mind the fact that the control of natural forces is what has created human civilization; that every industrial art rests upon the interference of man with the natural flow of wind, water, and other agencies; and that all that man does and is which distinguishes him from the brute creation has resulted from his wholesale and high-handed violation of the principle of *laissez faire*. And remembering that social phenomena differ from other natural phenomena only in their complexity and difficulty of management, it becomes clear that all real economic progress must result from the intelligent interference with the natural flow of the social forces. Their great complexity is what causes all the lively competition of which we hear so much. Free competition, it is said, is the most healthy and economical condition possible. But it may almost be questioned whether there is any such thing as free competition. It is in the very nature of competition to arrest the free play of activities. The term itself implies friction and the choking of rival interests. What is called free competition is necessarily only a temporary and transition state. It is a condition of unstable equilibrium which tends steadily and rapidly toward the stable condition. Such stable condition is one of rest, the cessation of all activities, and this is the end toward which all unregulated competition moves. It requires intelligent interference to preserve competition free, or, more correctly speaking, to *prevent* competition, so as to leave useful activities free. If we analyze the facts closely enough we find that this is exactly what human ingenuity accomplishes in the mechanic arts. The tortuous windings of a river are the result of its competition for a channel of least resistance. Intelligence destroys this competition by creating such a channel and utilizing the water previously running to waste. Every mechanism, every art, and every industry involves this principle, and all the efforts of man have been directed

toward the destruction of the friction of competition in the forces of nature and the liberation of motion to be guided into productive channels. Left free, these forces tend toward the condition of rest; all motion is arrested and all result precluded. It is so in the social world. The social forces when left to themselves tend to bring human progress to rest. Free competition in the industrial world leads to strife, rate-wars, combinations, trusts, monopoly, and ultimately to cessation of industrial activity. Free trade in like manner produces all the friction of other forms of competition. Nations compete for the commerce of the world, and gradually some one, like Great Britain, will come to command the seas. This becomes a great commercial monopoly, and all the evils of monopoly attend it. It causes the centralization of elaborative industries at a few points and abandons the rest of the world to the production of raw materials and food supply. Certain countries are forced to become almost exclusively manufacturing and commercial, while others must devote themselves almost exclusively to agriculture and mining. This is a disadvantage to all. Such a monopoly has the power to compel the transportation of vast quantities of heavy materials, such as iron and other metals, twice across the ocean before they can be made use of in the finished state in the country where they are mined. The manufacturing countries become dependent upon the agricultural ones for the means of subsistence, and the agricultural upon the manufacturing for implements and appliances, while the commercial intermediaries are enabled to demand almost any price for their indispensable services. This explains how the adoption of a protective tariff by the United States has had the effect in so many cases of reducing the price of commodities. Steel rails were thus reduced from sixty-three to twenty-eight dollars per ton by a duty equal to the present price.*

The narrow theory of the free traders is wholly inadequate to explain such facts, and they can only be explained upon the broader

* In 1863 Naugatuck arctic overshoes sold at 78c. a pair. The same shoes are now sold at 42c. Wages of hands in same shop in 1863 were from \$5 to \$6 a week; they are now \$11.

The Willimantic Linen Company in 1859 made a three-cord thread, 200 yds. to the spool, at 42½c. per doz. The tariff on such thread was made practically prohibitory. In 1887 the same company sold the same thread, improved in quality, at 18c. per doz. In 1863 the pay of employes averaged \$187 per annum. In 1887 it averaged \$373 per annum.

general principle which I have laid down. It has often been observed that in mechanical contrivances the effect is vastly disproportionate to the cause. The Archimedean lever is the type of all the results of human ingenuity. When men shall learn to control the social forces by the exercise of ingenuity, as they do these mechanical forces, the same disproportion between causes and effects will be observable. Such disproportion is a fair test of the true inventive character of any legislative act. Protective tariff legislation comes as near to this class, perhaps, as any that has been adopted, and the failure of the free trade economists to understand its effects is due to their entire ignorance of this fundamental principle. They fail to distinguish between protective and non-protective tariffs, and all their arguments apply only to the latter class. Free trade and protection are not antithetical terms. The opposite of free trade is restricted trade, trade fettered and obstructed by revenue tariffs. The protective principle is not at all involved in this. The protective tariff certainly does affect trade. Its effect is much greater than that of the non-protective tariff. When wisely applied it completely alters the current of trade in the commodity protected. It prohibits trade, i. e., the unnecessary transportation of goods that can be produced near the consumer. This is a great economy. At first it usually increases the price of the protected article, but in the end it reduces it by the whole cost of this redundant transportation, often by much more than this. This is made possible by its effects in destroying foreign monopoly of both manufacture and transportation. It even goes so far as to reduce the price abroad. Another of its unlooked-for effects is that of raising and sustaining wages. The theorists hold that with the imposition of protective duties prices and wages must rise together and exactly balance each other. The facts show that prices sustain a temporary rise and then a greater permanent fall, while wages rise out of all proportion to the highest rise in prices and do not tend to fall. This is because a strictly inventive principle has been applied to a class of social forces resulting in an effect disproportional to the cause. Other illustrations of this most fundamental of all sociological principles might be given, but those already stated must suffice.

In conclusion, then, it may be said that from the sociological standpoint free trade, *laissez faire*, and individualism in general represent the untamed forces of nature, such as would exist in the physical world had there never been any inventions, contrivances,

machinery, or arts—forces which naturally seem hostile, and which to the uncivilized man are in the main hostile to his existence. On the other hand, protection belongs to the great class of ingenious instrumentalities which the civilized brain of man has learned to devise and employ for the regulation, control, and utilization of natural agencies, even to the desires, appetites, and passions of men, from which, as from all the other elements of nature, the race has always stood in sore need of protection. It does not differ in principle from the various means by which he has protected himself from wild beasts, vermin, fire, flood, and storm. Trade, if too free, may be an enemy as much as tigers, flames, or water; but properly guarded, every power in nature becomes both friendly and useful to man.

YAQUI OF MEXICO.—The following notes are communicated by Mr. A. S. McKenzie, now residing at Gabilan, Sonora, Mexico:

There are several thousand Yaqui scattered through the province of Sonora. The land they formerly claimed as their own lies on and near the river Yaqui, though, according to tradition, they originally came from the north.

The Yaqui river is about 120 miles long by 25 miles wide, and the valley land is the most fertile in Northern Mexico. The Yaqui were agriculturalists and traded the products of the soil with the merchants of Guaymas, but since 1885, when they were conquered by the Mexicans, the latter have occupied the best land for their own use.

Upon the river Mayo, which runs parallel with the Yaqui, live the Mayo, a tribe of the same linguistic family as the Yaqui. They are of lighter color than the latter, it not being rare to see blue eyes and tawny hair among them. Physically they are superior to the Yaqui. The Yaqui are roughly estimated to number 10,000 and the Mayo 15,000.

After the conquest by Cortes, Spanish exploration was carried to the north, and the Mayo were first subdued, then the Yaqui. Missions were established and the Indians were converted by the well-known Spanish methods and were compelled to work the mines.

The Yaqui are a slightly-built race, some being very tall and possessing marvellous powers of endurance and a surprising amount of strength. They live on a diet of the black bean and corn meal,

the latter being made into a kind of hoe-cake. They are literally "hewers of wood and drawers of water," performing all manner of drudgery, and are regarded by the Mexicans as but one remove from animals and as entitled to as little consideration. They seem not to feel the heat, and work in the fields when the heat would kill a white man. They are peace-loving, and in race quarrels the Mexicans have always been the aggressors.

Little or no attention is paid to them by the government, and they are permitted to exist as peons on the large ranches or in the various mines. They are good workmen in unskilled kinds of labor, being patient, slow, and industrious.

They live in little villages, apart from the Mexicans, in houses made of wicker-work.

All are devout Catholics, wear little crosses and charms, and are married by Catholic priests. They observe Sunday after their fashion, and spend it in visiting, going to town, and in drinking. In fact, Sunday diversions form their only enjoyment except the "pascoli" or dances. These are a curious mixture of Christian and pagan practices, and are commenced by erecting a cross with the image of some saint, with candles burning. Only the men dance. They tie small shells around their ankles and carry in their hands gourd rattles filled with small pebbles and seeds. They generally mask their faces, in imitation of the animal or mythic being from whom the dance is derived, and the dancers imitate the actions of the particular animal, as the deer, bear, dog, &c. The musician beats a drum and plays a reed which gives a range of only three or four notes. The reed is manipulated by the left hand while the right beats the drum with a rapidity which no snare drummer in the world can equal. These dances or festivals sometimes last for days, the people feasting on bull meat and watermelon, washed down by mescal.

The Yaqui marry when very young. Girls are sometimes mothers at twelve, but the average age of marrying is fifteen. They are often betrothed when mere children, and generally live together as man and wife as soon as the man is able to provide maintenance.

The Pima are a brave race, little given to work, and preferring to act as guards and bullion escorts to the large mines. They are well formed and of peaceable habits. They mix but little with the other races.