

THE PHILOSOPHY OF THE SINGLE TAX.

By J. Farrell.

No. V. The Humbug of Protection

I write down the above heading with particular satisfaction as a measure of reparation for having once believed in and advocated the barbarous, selfish, and dishonest principle of trade restriction. This is one of the many plans for social betterment which is offered to the world, and it is essential to the purpose of these papers that it should be closely examined; therefore I will place it upon the dissecting board. The idea of preventing a free interchange of commodities between different countries as a means of increasing the well-being of such countries, or of any one of them, monstrous as it is, is presented seductively enough. It is an apple of Sodom, but never did honest pippin look so rich or carry such allurements with it. Restriction of exchange, as a proposal of reform or advancement, could only come from economic ignorance or conscienceless self-interest, and only by these could find acceptance. I am prepared to admit the honesty, the patriotism, and the complete disinterestedness of many of those who, here and elsewhere, fight strenuously for the imposition, continuance, or increase of protective duties. I only claim that these qualities are not allied in them with such an understanding of the principles which govern production and exchange as alone can enable men to reach true conclusions. I admit that the great majority of those who are ranged on the protective side in New South Wales, earnestly believe in the cause they uphold, and only desire the greatest general good. That there are those, both among the rank and file and among their leaders who understand principles well enough to fully realize the sham and worthlessness of the protective idea, yet preach it for the furtherance of their own particular ends is also probably true.

It is a common thing to hear the average protectionist, himself unable to justify the faith that is in him with reasons deduced from analysis, fall back upon the allegation that others can do so, or have done so. He refers you to the United States or to Victoria as two countries which, having an intelligent voting power and a more educated and prosperous democracy than can be found outside Australia in the world, maintain protection and have thriven under it. Before going into this question any further I may as well admit that I think these two countries, which are taken as the great examples of what may be done by tariff-fighting to build up prosperity, are, in the respects named well ahead, especially the latter. In the United States the voting power has been enormously and palpably vitiated of late by wholesale importations of the cheapest labor to be obtained in protected European countries, invoiced by highly protected and highly patriotic American manufacturers of the Carnegie stamp. It is a notable fact, a fact commented upon and deplored by American newspapers from the eastern to the western shores of the republic, that latterly the American workman has almost entirely disappeared from many branches of industry. His place has been given to the Austrian, the Italian, the Hungarian, the Belgian and the German, who, finding that no industrial paradise came with the feet of protection in their own countries have sadly enough gone across in the character of pauper labor to compete with him. But in our sister colony no such influence has been at work. The wide expanse of sea which lies between

Australia and the extreme low-wage countries of Europe has effectually prohibited the influx of impoverished immigrants from such sources. The general standard of intelligence in Victoria is high, as it ought to be. Never was such a premium offered, never such a prize held out for the strongest and the most enterprising by any country of modern times. The magnificent gold discovery that in the years of one decade taught the names of Ballarat and Bendigo to tongues strange to the English language, all over the earth, was a challenge to the world's best, and just the sort of challenge they were sure to accept. From all quarters poured the most adventurous and ardent spirits to compete with each other for fortune, and these and their descendants are the Victorians of today. Those 10 years brought to Victoria an incalculable gain in the best manhood the world could send, and gave her a very marked advantage over the more sluggish populations of the other colonies. The discoveries of the gold epoch brought to her from New South Wales even, the very class of young men who so persistently leave her borders now and find their way here and elsewhere. Granting all the advantages claimed, granting alertness and intelligence on the part of the Victorian and the American, there is still no reason to suppose that in either place the fiscal policy has been molded by a general perception of economic truth. There is every reason to think otherwise.

To realize how little the true rules by which to build up enduring and equitable laws are understood by the people generally anywhere it is only necessary to listen to the representative utterances of their accepted and trusted leaders. The parliamentarians, who look but to a life of administration sweetened with some rewards of office, dare not, any of them, shed all jugglery and unworthiness and stand upon principle alone. Sir Samuel Griffith at his study desk, patiently and conscientiously searching out the relation between wealth and want, is not the man they vote for at the polls. That Sir Samuel must be a party leader with all the pitiful liabilities such a title involves. It can hardly be that Gladstone is not thoroughly ashamed of the hedging and shuffling, the shelving of true issues to make way for false, and the accepting of crumbs instead of whole loaves which make up practical politics. So many questions arise for answer at general elections, although only one may be written before all eyes on the blackboard, that the answers may be given to what different eyes discern between the lines. It is always difficult to conjecture how far the apparent issue is the real one, and the judgment of voters who may have formed a correct opinion on fiscal matters is too often clouded by passion or sentiment, which are the powers set in active motion by the professional politician at election times. In the United States, especially, this is the case, and I have no hesitation in saying of the last Presidential election, even though, as far as the issue was raised, a substantial majority of votes was then counted for free trade, that the tactics pursued, and a great deal of the literature of both sides, were disgraceful to a degree unbelievable. During the process of that great contest I looked through hundreds of columns of virulent party pleading, gross misrepresentation, reckless charge and poisonous innuendo. These were the weapons used by papers having a great circulation and naturally a considerable influence upon the public mind. The memory of everything calculated to inflame the American people against England was kept very green by Republican journals; all the bitterness that the past has left rankling in Irish breasts against English rule was stirred to its depths. Out of their graves all the hates and distrusts that ever came between North and South were dug up and their ragged ghosts paraded as living and terrible things. All this you could get in the American

papers, *ad nauseam*, but only here and there any ray of authentic light upon the fiscal controversy. Just the same clatter of contradictory tongues and the same bandying of contradictory statistics not "understood of the people;" just the same diligent dragging in of foreign issues, as here, by the machine politicians. Craft playing upon ignorance; real love of country and kind not knowing what way to turn amid all the noise and bewilderment. The verdict so delivered, whatever it may be, is not safely to be accepted as a precedent.

From the lips of Victoria the verdict is no more weighty. Moreover, it is not very unanimous, and their manner has not that repose which indicates a pronounced success. Not there more than anywhere else has the acceptance of a protective tariff resulted from any clear understanding of what was under the apple skin. The outs, hungry to become the ins, held the thing up and said it was genuine, and then talked about something else all the time, and by and by the people began to believe them. There was no analyzing done though, and they begin to be not so sure about it now. The selfishness of each class is what was appealed to; from that, not from reason, the answer was taken. The great mass of people, intelligent as they may be in Victoria, are not only not interested in abstract principles but incapable of comprehending them, or detecting the similar incapability of those whom they choose as lawmakers. So when a farmer is told that the keeping out of the colony of the grain of other farmers will enable him to command a monopoly price for what he produces, it looks very like the truth, and he has no occasion to trouble about abstract principles. The plow maker, the woolen-manufacturer and others look at it in just the same light. They see that if foreigners are not allowed to enter the market to sell the particular goods which they bring they will reap greater gains. They do not see that if the same principle is applied to all classes of manufacture they will be left no better off than before, after paying a good deal away in order to get there. And no one tells them that if the same principle is not applied to other manufacturers they have been placed at a distinct and unjust advantage over these others by a subsidy from the general purse. What is told to each class whose votes are wanted is that that particular class is going to gain, and with it, somehow, the whole community. "The plow and the money too" are to be kept in the country. The inevitable result of the adoption of a policy which throttles trade, and, in doing so, checks production and places burdens greivous to be borne upon the weakest backs, however, is beginning to be manifest in the cries for subsidies to those branches of industry which have so far been left out of the protected circle. There is also a pretty incessant demand for more protection lest they perish from what were the infant industries of 20 years ago, and still stand, hat in hand, pleading minority and begging pence from the public.

On the whole, I don't think anyone who wants to find out what is the true policy for any people to pursue, need be deterred from inquiry by the example of any country what ever. "It is an awful fact," said Mr. John Morley recently, speaking at Newcastle-on-Tyne, "that in this country, with all its wealth, all its vast resources, all its power, 45 percent — that is to say, nearly one-half — of the persons who reach the age of 60 are, or have been, paupers. I say that it is a most tremendous fact, and I cannot conceive any subject more worthy of the attention of the Legislature — more worthy the attention of us all." I think it very probable that he couldn't. But, a few months ago, I read appalling accounts of destitution in New York, Philadelphia and

Chicago, in the latter of which cities a leading local paper said there were no fewer than 25,000 persons supported by charity and in the direst distress. Unless papers like the *New York Herald* and *World* and *Times* lie deliberately and early and often, and unless truth inhabits only the "orations" of some of our local protectionists, things are not very prosperous in the States just now, save in the line of strikes, lockouts and closings up, nor are wages very high. In the *Sydney Morning Herald's* letter from its New York correspondent a couple of months ago reference was made to a strike which was won by the strikers — an event so unusual in the United States as to be well worthy of mention. Not only that, but the strikers were said to have secured a wage — it was in some special branch of skilled labor — the exact amount of which I forget, but which was far higher than any wage to be obtained in the same work here. At the public meetings in connection with the late Protectionist Conference, I heard several of the speakers dwelling at considerable length upon this magnificent proof of the prosperity of the American workingman. They chewed it over and over and exulted; they reveled and wallowed in the fact that the American worker gets an all-round wage such as his Australian brother could never dream of getting, and they asked with scorn how the calico contingent felt and what Pulaford was going to do about it. The spirit of dead Richard Cobden was flouted with this result, and the burden of the whole chapter was "Hail Columbia!" The wage referred to was manifestly misquoted, for such a wage or anything approaching it would have drawn to the States the competition of the same class of labor from the very north and south poles, if any existed there. It was a bonanza in the way of wages, but the "Australian national" speakers spoke as if it were just the ordinary thing in the States.

It is not the ordinary thing though. The United States Labor Commissions Report up to 1886 — since which time I have not heard it claimed that wages have increased — supplies the following information Kansas (page 28), average earnings, £1 5s 6d per week; highest in any trade, £2 per week; Michigan (page 141), average, taken from 549 persons, representing many different occupations, 6s 7d per day; Pennsylvania (page 111), highest skilled labor 8s per day, ordinary labor, 5s, 8d per day;

New Jersey (page 170), skilled miners, 4s 8d to 6s, ordinary labor 4s to 5s. Average wages: Taking all States, and skilled and unskilled labor, the average is 4s 7d per day (page 611). The hours of labor are thus touched upon: — Kansas (page 827), tramdrivers, 15 hours; bakers, 14 hours (Sundays included); laborers, 12 hours. Connecticut: Of 65,627 hands, 5 percent work 54 hours per week; 22½, from 55 to 59 hours; 6 percent, 60 hours and over; 20,000 of these are women and children, and 78 percent of the women and 89 percent of the children work 60 hours and over per week (page 15). Pennsylvania: Contract, miners (class highest wages, 8s per day, referred to), work 12 to 14 hours, and have to pay dockage, light, &c., out of this (page 128). Probably this is all rubbish, for our traveling protectionists did not observe anything of that kind during their visits to America, and the United States Labor Commission may not know anything about it. But they go on all the same and tell (page 259) that one person in five (exclusive of tramps) is always out of work; they tell of factory rule where 10 days' notice before leaving must be given by the employee, who may be dismissed without notice (page 136). They babble (page 21) of the Foreign Contract Law being continually evaded, the workman's fear of black-listing preventing exposure, and of the Truck Law being continually broken for the same reason. They

point out that the legislation against *children under 12 years of age working more than 10 hours a day breaks down, because without the wages of children families could not be supported* (page 112). They tell of placards in factories offering \$10 reward for information of any workman joining a trade union. They conclude by deciding that there is a decrease of wages in many trades, accompanied by an increased number of hours of work, greater uncertainty of employment, more intense application made necessary, and no gain to labor in any direction.

All this must be falsehood— or something must. But I have candidly admitted the East End of London and all Cradley Heath, and it is only fair to have some trans-Atlantic illustrations. There is no reason that I know of why the United States Labor Commission should paint things so black for their own country if they could truthfully do otherwise, and I can find abundant corroboration of their version. In February last, for instance, there was a particularly interesting strike among the New York and Brooklyn car-drivers, who, like the luxurious and idle dogs they probably are, asked for more money or less work. They announced, in their exaggerated American manner, that they "were starved and slaved to death and would sooner be in hell than suffer more of it." This, however, was one of the strikes which the strikers did *not* win, and Master Workman Powderley, the John Burns of American organized labor, writing in the official *Journal of United Labor* said the reason why they did not was that "within 24 hours after the strike was inaugurated 20,000 men were seeking for an opportunity to take the strikers' places, and there were thousands more as anxious for the work but too manly to seek it to the detriment of their fellows." Perhaps Powderley is mistaken altogether. Of course he was on the ground at the time, but one who is too close may not be able to see all that is going on.

Something very much better in the way of general conditions than has ever yet existed here, or in England, or in Victoria, or in America should be possible — must be possible. And none of the beaten paths will lead to it. It is no more honest in the protectionist to attempt to stuff down incredulous throats the prosperity and happiness of the American workman than it is in the free trader to exult into contentment and approximate comfort the English wage-earner. And life is not so much more unclouded in any one Australian colony than in any other as to show a difference that can be generally agreed upon. There could hardly be better proof that no system of fiscal government yet tried has been of much avail than continual dispute as to which is best. It commonly happens when two of the inhabitants of this great colony meet in a publichouse and one speaks of the liquor which is the *motif* of their meeting, as being bad the other reproves him by saying that there is no such thing as bad liquor, but only good and better. So, inversely, there is no such thing as a good fiscal system — only bad and worse. Free trade is bad because it is not what it professes to be; protection is worse because it moves in an entirely opposite direction to freedom and civilization. Revenue tariffism masquerading in the garb of free trade moves at least in the direction of truth; protection sets its face the other way, as I hope to show any reasonable inquirer who will go into the ethics of this subject with me and examine it as a student, methodically and without heat or prejudice. I promise not to be betrayed into the use of statistics, which are seldom honestly used or in themselves absolutely sure and faultless. And I will not once introduce the bonny blue flag or refer to New South Wales as sunny nor invoke anyone to "arise, ye patriots." I shall not rely upon the kangaroo and emu to pull me out of a tight economic

corner, nor shall I cover up any difficult issue with gum leaves. In the investigation of this supremely important question it is not necessary to bring forward the fauna or flora of New South Wales, and I will neither depend for effect upon bunting, like Mr. Schay, nor upon bunkum, like Mr. Buchanan.