

coal to Chili and gets back Chilean ores and other Chilean products by direct trade, or sends the coal to any other country and through the world's network of exchanges gets back the ores or other things from many other countries. The question is one merely of economy, and the respective buyers and sellers will take care of that for themselves.

The principle of international trading is the same as that of individual training. Individuals do not prosper most by the direct trades they make—as when the hatter swaps hats with the shoemaker for shoes, or with the tailor for clothes; but by their indirect trades—as when the hatter sells hats to all buyers, and with the money, check or other certificate of barter he gets for them, buys shoes or clothes or what-not from whomsoever will serve him best in those respects. It is by that principle, also, that nations prosper most; or would, if tariff tinkers and other meddlers would leave their people alone to trade in freedom. But if the Engineering and Mining Journal writer has not advanced far enough to see this, he at any rate has got his eyes turned in this direction. In saying that if we would export to Chili we must import from Chili, he does see, however densely—like seeing men, may be, as trees walking—that importing is as vital to trade as exporting. And that is a long way in advance of the absurd notion, now embalmed in the republican platform; that excessive exporting is the only profitable commerce.

On the question of the value of customhouse statistics of trade balances in showing the prosperity of a country we beg to refer to a comparison of the American with the British statistics. The trade balance of England is what our astute statisticians call “unfavorable”—that is, it shows a continuous excess of imports. Yet the British do not appear to be troubled by it. The more it is so, the better they like it. For they under-

stand that excessive imports mean excessive profits, and that excessive exports mean excessive loss. We append a comparison of the statistics for ten years, the American figures being taken from the official “Statistical Abstract” for 1899 and the British from the “Statesman’s Year Book” for the same year:

	United States.		Great Britain.	
	Exports.	Imports.	Exports.	Imports.
1890.....	\$790,282,909	\$745,311,652	£246,985,195	£277,697,585
1891.....	945,298,628	798,310,049	280,530,585	420,691,997
1892.....	872,270,993	844,916,195	247,225,150	435,441,264
1893.....	1,015,732,011	827,402,432	277,715,399	421,793,382
1894.....	1,331,050,705	964,409,422	215,452,718	404,583,178
1895.....	899,924,427	793,592,537	216,002,577	416,324,310
1896.....	793,592,537	883,520,437	226,125,249	411,033,033
1897.....	1,032,007,003	770,123,474	234,413,708	421,023,960
1898.....	1,210,231,913	616,049,634	233,580,732	470,604,138
Reduced to dollars at \$1.87 to the £1.....	\$9,062,707,046	\$7,620,630,968	£2,355,096,931	£4,300,729,446
			\$11,469,176,197	\$20,944,552,402

Comparing these totals we find that during the ten years ending with 1898 the following were the balances of trade upon the customhouse returns, respectively, of the two countries:

U. S. exports.....	\$9,062,707,046
U. S. imports.....	7,620,630,968
“Favorable” balance.....	\$1,442,077,078
British imports.....	\$20,944,552,402
British exports.....	11,469,176,197
“Unfavorable” balance.....	\$9,475,376,205

Could greater violence be done to language than to call Great Britain’s excessive income of \$9,475,376,205 during the past ten years an “unfavorable” balance? Yet that is what it must be called if the excessive outgo of the United States of \$1,442,077,078 during the same decade is to be accounted a “favorable” balance. For one is the antithesis of the other. Oh, ye protectionists who account men and nations the richer

the more they give and the poorer the more they get—go to, go to!

It is to be read in the papers of the day that the economic saving already effected by the trusts in the United States equals \$6,000,000 daily. In that form, the statement seems to imply that the people of the country are growing rich at a most rapid rate, since \$6,000,000 saved usually means \$6,000,000 earned. But in this case, unfortunately, that is exactly what the statement does not mean. The words “economic saving” signify that labor has been dispensed with. With natural opportunities for employment in other directions restricted, that kind of saving implies a heavy loss to the working people. Incidentally, too, it would mean that the producers of America have a home market of enormously less value. As the home market is averred to be worth more than any foreign market, and is certainly worth vastly more than any possible tropical market, it seems that present “economic saving” and eventual economic loss may come to much the same thing. Possibly this is one of the instances in which trade follows the flag—downward.

DOES TRADE FOLLOW THE FLAG?

“Does trade follow the flag” is a question opportune at a time when men under the pretext that our trade must be increased, advocate the adoption of a policy of colonization and imperialism by the United States. Leaving out the moral principles involved in imperialism, is it a factor in determining the volume of a nation’s trade? In other words, will imperialism pay?

I make the proposition that while tariff and navigation laws affect the commerce of a nation to such an extent that they may almost totally destroy it, imperialism does not affect it at all.

Several countries of Europe and especially Great Britain have many large colonies and dependencies. If trade follows the flag these countries ought to prove it.

Great Britain has been engaged for centuries in developing India and her