

nation. Of these 203,000 votes at least one half must have been cast by voters who do not want to accept protection as a fixed policy of the nation or as any other kind of policy. The fact that Robins received nearly 90,000 more votes than the next highest candidate on the Progressive ticket shows that many of his 203,000 votes came from democratic Democrats who voted for no other candidate on the ticket. Besides these there must have been some thousands of other Democrats, equally democratic, who, besides voting for Robins, voted for other Progressives, so that fully half of the Robins vote must have come from free traders, if indeed much more than half was not a free trade vote. A similar situation exists in the party's banner State, California. There many of the voters who so overwhelmingly re-elected Governor Johnson helped to elect a democratic Democrat, James D. Phelan, as United States Senator in preference to the Progressive candidate. These voters are surely not to be held by declarations in favor of an outrageous predatory measure as a fixed national policy. s. d.



### Settling the Balance of Trade.

Those confiding citizens who began by gloating over the "favorable" balance of trade, and then became embarrassed when questioned as to how it was settled, will find some food for thought in a recent speech by the British Chancellor of the Exchequer, David Lloyd George. The protectionist assumed that it was more advantageous to sell than to buy; hence, when the exports from this country exceeded the imports, he thought the country was on the road to prosperity, the assumption being that the difference was paid in gold. Just why a dollar's worth of gold was worth any more than a dollar's worth of pig iron he never deigned to explain. But when he was confronted with the treasury statistics, showing that we also exported more gold and silver than we imported, he fell back upon the vague and uncertain explanation that we were holding obligations from Europe that by and by would be paid, and that meantime gave us an income. How this indebtedness was expressed, and which of our citizens held it, has never been made known. But the British Chancellor in his recent speech throws some light upon the subject. In enumerating the resources of Great Britain for the purpose of showing the empire's ability to stand the drain of war, Mr. Lloyd George placed among them the statement that America owed England \$5,000,000,000. And Mr. Lloyd George is a careful man when it comes to

statistics. It may be doubted, indeed, if there is another man in the world so well qualified to pass upon this question. As his statement conforms in general terms with those of other experts it may be accepted as approximately correct.



The question arises, How is it possible that America has sent to England as well as to the world at large more merchandise, more gold and silver, and now owes England \$5,000,000,000? A glance at our history and a little reflection will make it plain. For many years America has been a fruitful land for foreign investments, and the largest investor has been England. Whenever an Englishman was able to save a dollar for investment, he was very apt to send that dollar to this country, which was young and in need of development. A dollar or two would buy an acre of land. A few dollars would buy a tract of mineral land. A few dollars more would buy a railroad. This was because the population was sparse, and the country undeveloped; but as population increased and the country grew in wealth the land that had cost the Englishman a dollar or two became worth ten, twenty, fifty or a hundred dollars. A city lot bought for twenty-five dollars became worth twenty-five thousand dollars.



Note, however, the result in the statistics of exports and imports. The imports showed one dollar coming into the country. Next year the exports showed six or ten cents—interest on that dollar—going out of the country. And as the value of the property purchased with that dollar grew, the income to the foreign holder soon amounted to more annually than the original investment. That investment of one dollar may now stand as a hundred dollars, and the annual interest, which is not based upon the original dollar, but upon the present hundred dollars, is represented in the item of exports. One dollar of imports, hundreds of dollars of exports. Hence, the "balance of trade." Our balance sheet of international trade shows a great excess of exports over imports. England's balance sheet shows an excess of imports over exports. Which country is really growing in wealth at the expense of the other? s. c.



### National Resources.

The remark of Napoleon, or some other epigrammatist, that an army moves on its stomach is as applicable to countries. The war has given