

"are justified in pressing this issue," did not press the issue on which he took such high ground in his earliest published speech, as quoted by Mr. Chafin. He kept that faith, it is true, to the end of his life; but he had the breadth, the vision and the moral grandeur to go along with his countrymen, and achieve that which events made dominant and paramount. Had he been imbued with the non-progressive party spirit which "learns nothing and forgets nothing," he might have been remembered as an able and sincere man, but another hand would have signed the Emancipation Proclamation.

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Far from being fictitious or false, the issues of the present campaign are vital, clear and fundamental. All who struggle toward democracy instinctively turn to Bryan the Genuine, who is the Lincoln of the movement for industrial freedom; all who respond to reactionary impulses, the stand-patters, the imperialists and the plutocrats, turn as naturally and inevitably, if not as enthusiastically, to Mr. Taft, "the tactful, suave, able apologist for things as they are."

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### THE RELATION OF WORKINGMEN TO PROTECTION AND FREE TRADE IN THE UNITED STATES.\*

The very narrow meaning of the word "workingmen" as I use it now, calls for explanation. In my own vocabulary everybody who does useful work to any extent is to that extent a workingman; his social function is the workingman's function, his interest in the distribution of wealth the workingman's interest. But habits of speech in the United States have relegated the term to narrower uses. We habitually regard as workingmen only those who work for stipulated wages, and for wages in contradistinction not only to interest, rents and dividends, but also to fees, commissions and salaries. In the industrial vocabulary of the United States, a salaried man would not be a workingman even if he worked twice as hard as a factory hand and for half the pay. Only "wage-workers," as we have come to call them—the "laboring man," or "the men who toil with their hands," as our politicians put it—are regarded with us as "workingmen." This is the class, therefore, to which I allude in discuss-

\* Address delivered August 5 at the International Free Trade Congress, in session in London from August 4 to August 7, by Louis F. Post, delegate from the American Free Trade League.

ing the relations of workingmen to protection and free trade in the United States.

Those of you who are at all familiar with the economic history of the United States need only be reminded that while we have never had international free trade, our example of interstate free trade is stupendous. Trade flows over our State lines as freely as it flows across the streets of London. In consequence of this and in spite of our international tariffs, we of the United States have freer trade than any other country in the world in any period of history. Such superior prosperity as we may truly claim is due not to the protection which segregates our Republic, but rather to the free trade which unifies our States.

We did not always have this internal free trade. Until the adoption of our Federal Constitution in 1789, our newly liberated States legislated for local protection in the same spirit in which Congress now legislates for national protection. To prevent exportations of money from New York, for instance, the legislature of that infant State levied a tariff upon importations of produce from New Jersey and of firewood from Connecticut. The States legislated also against one another as to foreign trade, and when the Federal Constitution came to be formulated quaint comments were heard in the Constitutional convention. North Carolina, lying between Virginia and South Carolina, was likened to "a patient bleeding at both arms;" and New Jersey, between Philadelphia and New York, to "a cask tapped at both ends." There were many reasons for prohibition of State laws against trade, and thanks to the completeness of the prohibition then established, we are not bothered now with protection legislation by our States.

But no considerations called for prohibition of protection legislation by Congress. Restraints upon exports were happily prohibited, but our need for independent national revenues, together with the familiar mania for making the people pay taxes without knowing it, secured the adoption of a Constitutional clause authorizing Congress to levy duties upon imports. This authority for raising national revenues indirectly, was availed of by Alexander Hamilton as authority for a protection policy—a policy, as he argued, for the encouragement of domestic manufactures. American workingmen had not then risen to the dignity of having interests of their own of sufficient magnitude to excite the solicitude of our statesmen, and Hamilton's reference was quite incidental and subordinate. Nevertheless, our present policy of protection for American workingmen harks back

to his report upon manufactures, made to our first Federal Congress as President Washington's Secretary of the Treasury, which may fairly be regarded as our documentary classic in support of protection.

Although Hamilton's report laid the foundations for our policy of tariff protection for workingmen, it was not until after the war between the States that this policy rose to the altitude of a dominant issue. A policy of protection for the sake of protection, as the object instead of an incident of revenue legislation, had been adopted in 1816, but with little or no concern for workingmen. It was for the benefit of domestic manufacturers who had unwholesomely flourished in consequence of the edicts of commercial non-intercourse which preceded our war with Great Britain in 1812, and of the commercial non-intercourse which that war inflicted upon us. The same tariff policy was strengthened in 1818 and again in 1824. A modification in 1828 was followed in 1832 by a law which our protectionists have since denounced as a free trade measure, but which protectionists themselves enacted and pointed to at the time as their conception of the permanent form of their favorite policy; and a compromise measure that came into operation in 1833, under which the schedules were to stand after successive automatic modifications for ten years, at the moderate level of 20 per cent, was repudiated in 1842 in favor of a protection tariff. Throughout all that period, from Hamilton's classic treasury report in 1790 to the protection tariff of 1842, the interests of workingmen had for the most part been considered only obliquely. Although Henry Clay had alluded to high wages in his debate with Daniel Webster in 1824, and Albert Gallatin's free trade memorial of 1831 had made some very sound observations on the dependence of American workingmen upon our abundance of cheap land, neither appealed especially to workingmen. The hired labor of the United States seems to have been considered in our earlier tariff controversies less as an interest of hired men than as an asset of farmers and manufacturers.

Not until long after the corn law agitation of Great Britain, were American workingmen earnestly appealed to or deeply concerned in the tariff controversies of the United States. The primary appeal of our protectionists had been made at first to manufacturers and afterwards to farmers. To manufacturers they had held out the bait of curtailment of foreign competition, to farmers the advantages of a home market. But these appeals were worn so threadbare during thirty years of in-

termittent flashes of prosperity and thuds of hard times, that the revival of protection in Congress in 1842 owed nothing to them. Neither farmers nor manufacturers were urgent for the high tariff enactment of that year. It was a mere parliamentary echo of battles in a political war that had been fought out and lost, a partisan maneuver so utterly lacking in popular vitality that the Walker treasury report of 1845 easily turned the United States towards free trade.

If among American public documents Alexander Hamilton's treasury report of 1790 is our protection classic, Robert J. Walker's of 1845 is our free trade classic. Submitted to Congress nearly two months before Sir Robert Peel moved the adoption of the British corn laws, it ably advocated a complete reversal of the protection policy in the United States; and brief as are its references to the labor question, they are valuable yet for the precision with which they puncture protection fallacies and for the facts they disclose. In reply to the pretense that protection increases wages, the Walker report observed that wages had not in fact increased since the protective tariff of 1842, and argued with prophetic insight that by protection government arrays itself on the side of employers, thus augmenting their wealth and power and soon terminating in their favor "the struggle between man and money—capital and labor." The Walker report gave us our tariff of 1846, which rested upon the principle that no more money should be collected than is necessary for the wants of the government honestly administered. It was what we call a tariff for revenue only.

The following years down to the Civil War were consequently a period of comparative free trade, the only such period we have ever had in our country. It was highly satisfactory, this brief period of comparative free trade from 1846 to 1860—so satisfactory that the Presidential campaign of 1856 went off without an allusion to the tariff by any of the political parties. To be sure the slavery question was a burning issue then; but as it had been a burning issue in the three preceding Presidential campaigns, partisan silence on the tariff subject in 1856, even if the slavery question was to the fore, is surely significant of public satisfaction with the free trade tendency of the preceding decade. Its significance was emphasized by the passage in 1857 of a still more pronounced free trade measure. We were as near to absolute free trade from 1857 to 1860 as land monopoly and indirect taxation of industry permit. And so firmly set upon a revenue

basis was our tariff policy, that reaction would have been impossible but for the outbreak of war between our Northern and our Southern States.

To meet the fiscal necessities of that war, Congress enacted the tariff law of 1861, which in effect went back from the extremely low revenue tariff of 1857 to the higher revenue tariff of 1846. But it was a revenue and not a protection tariff. Neither the tariff of 1861, nor any of the subsequent Civil War tariffs was protective. It was the Southern and not the Northern States that were protected during our Civil War. We of the North protected them with gunboats. No invasion of the South by foreign goods was allowed that we could prevent, and no overwhelming invasion of foreign goods occurred. Yet the South urgently invited floods of foreign goods, and tried to open the way for them. She wanted to be invaded with foreign food and clothing and foreign building material and machinery, and resented bloodily our bellicose efforts to protect her infant industries from these invasions. Especially significant was her attitude toward the protection of her labor from foreign competition. You will remember that the dominant class at the South owned workingmen as chattels. Anything, therefore, that would benefit workingmen financially anywhere, should have benefited financially the owners of workingmen at the South. If protection would increase the wages of free workingmen, wouldn't it by the same token increase the value of slaves? But the slave owners of the South rejected the labor theory of our protectionists. They appeared to know what our workingmen have only recently learned, that obstruction to commercial intercourse does not add to the market value of domestic labor. Assiduous, however, as we of the North were in protecting the South from imports, we did no more than we could help to protect ourselves. Both as a government and as individuals we were large purchasers of foreign goods all through the Civil War. Although we did increase our tariff rates, this was for revenue purposes, except as it was to offset the burden of internal revenue taxes. Domestic manufacturers could not have competed with foreign manufacturers, if a tax burden had been imposed upon the consumers of their goods and not upon those who consumed competing imported goods. Consequently, as internal revenue taxes were levied, duties on imports were increased correspondingly. It was not during our Civil War, but afterwards, that protection as a policy was restored in our country.

But the war tariffs, with their compensating

duties, made the restoration of protection possible. Within a few years after the Civil War our internal revenue taxes had been largely reduced; but as the compensating tariff duties were retained, protection resulted automatically. So our business tiger got a taste of consumers' blood. He liked it, and thereupon protection for the sake of protection was ravenously advocated. Under the ensuing agitation the wave of protection sentiment rose higher and higher with each succeeding Congressional and Presidential election. Resistance on the other hand grew weaker and weaker. With only slight recessions, quickly reversed, the protective policy swept everything before it, until it culminated in the present monstrous schedules. It was in this period that American protectionists first appealed earnestly and directly to American workingmen, and by those appeals that they won.

They won because they attuned their appeals to a socialistic sentiment which had already begun to stir in the American workingman's mind. Observe that I do not say socialist sentiment. Socialist sentiment is not strong even yet among American workingmen. The materialistic interpretation of history does not interest them as a mass, class consciousness does not control or even attract them, the Socialist parties do not command their support. But they take kindly to the socialistic revolt against competition. It was this tendency of American workingmen to which American protectionists appealed and through which they triumphed. While our representative free traders of the old school were either coldly academic or brutally hostile toward the American workingman, whose sufferings from dreadful economic forces which he mistook for competition were irritating him and had soured his temper, our protectionists approached him kindly with pictures of "a full dinner pail" and charmed him with musical statistics. He had seen competition as a monster, with jagged tusks for teeth and terrible claws for hands—not only seen it but met it and struggled with it—and he abhorred it. Our protectionists saw it in the same way, and proposed a crusade against it as a "foreign devil." But our free traders, instead of denouncing this tooth and claw caricature of competition, defended the monster as a worshipful industrial joss. Do you wonder that our workingmen didn't take kindly to free trade? Its very name became offensive to them—so highly offensive that the nearest approach to free trade by any political party in nearly half a century was made with prudent reserve under the metrical protest of

"No, no; don't be afraid! Tariff reform is not free trade."

Even now, free trade has no charms for American workingmen, although they distrust protection. Their distrust of protection, a policy which for forty years has been maintained nominally in their interest and actually by their votes, is due to its manifest failure to shield them from the economic horrors of what they think of as competition. Those of you who are accustomed to consulting our national statistics for evidence of the effect of our tariff policy on our industrial development, may be surprised to learn that American workingmen are far from enthusiastic over the compensation, the volume, the regularity, and the stability of employment of labor in our country. But it is a mild statement to say that they are not enthusiastic. They are in fact deeply disappointed. And their pessimistic inferences from personal experience and observation are doubtless nearer the truth than any optimistic conclusions from our national statistics. These statistics appear to be of very little value in connection with the relations of American workingmen to American protection.

Articles on them, entitled "Eccentric Official Statistics," appeared several years ago over the signature of Henry L. Bliss in "The American Journal of Sociology," and under other titles in "The Journal of Political Economy," magazines of the University of Chicago. From those articles it seems that whereas the census of 1890, a protection compilation, showed a great increase of wages from 1880 to 1890, the Aldrich report, a Senate committee report and also a protection compilation, showed wages in 1890, in the midst of our present protection era, to have been but slightly higher than in 1872, about the time of its beginning. In reaching his conclusion Mr. Bliss subjected both compilations to a searching criticism, which has never been satisfactorily answered. Although he is neither an official statistician nor one of our statistical cult whose criticisms sometimes pass by authority rather than merit, his work proves his competency, and he has won commendation from worthy sources as an analytical statistician of exceptional ability. It is upon consultation with him, as well as upon his published criticisms, that I adopt the conclusion that our national statistics are of very limited use in solving labor problems.

One point of criticism will appeal readily to anybody's common sense. Our census statistics mingle the value of the actual wealth creations of

the country with the value of mere appropriation of its sites—improvement values with land values. One value is a measure of work done and saved, the other is a measure of the burden that rests upon opportunities to do work. Yet the two are combined in our censuses as homogeneous values in an exhibit of our wealth. In the census of 1900, for instance, the value of all our wealth is reported as \$88,517,306,775. Since the value reported in 1860 was only \$16,159,616,000, there thus appears to have been an increase in those forty years of \$72,357,690,775. But consider how much of that sum stands for mere increase in values representing no produced wealth whatever.

The land area involved is the same, 3,025,000 square miles, no land off the continent being included in either sum; but the increase in land values in those forty years must have been enormous. I have in mind one lot in Chicago, a quarter of an acre in area, which rose in this value that measures merely the price of the legal power to permit or forbid labor to build there, from \$28,000 in 1860 to \$1,250,000 before 1900. But that increase for one particular quarter of an acre was not unique. In every American city and town similar increases had occurred in greater or less degree. Although our national statistics are not garrulous on this subject, they tell us that 33 per cent of our entire population live in cities and towns of 8,000 population and upward. If we add to this a guess at the number of small-town dwellers, we have an immense proportion of our population in places where rising prices for sites upon the planet—ranging from a thousand dollars or more an acre in villages, to eight or ten millions an acre in Chicago and New York—are turning an increasing proportion of the inhabitants of the United States into tenants or dependents of a decreasing proportion of owners of the United States. But these menacing values are not disentangled in our census statistics from the values that spell production. And if we turn to the statistics of farm sites, mineral deposits, lumber lands, natural water power, we find a still more stringent concentration of land monopoly and still more startling suggestions of a growing class of landless men, which miss definite expression in our statistical reports of the increase of American wealth from 1860 to 1900. Yet millions upon millions of acres in the Dakotas and Nebraska and Kansas and farther West, to say nothing of the mineral discoveries that have added fabulous values to the Rocky Mountains, have risen in value since 1860 from nothing—absolutely nothing. Cities have sprung up there in which

land value is estimated now in dollars and hundreds of dollars by the foot, although in 1860 it had no value; and for farming sites, land that was worth nothing in 1860 was poor land indeed if it would not have fetched from five dollars an acre, to fifty or a hundred or more in 1900. And when you consider the value of railroad rights of way hidden in \$9,000,000,000 of railway values, the value of street car franchises hidden in \$1,500,000,000 of street railway values, the value of telegraph and telephone franchises hidden in \$600,000,000 of telegraph and telephone values, and the value of water franchises hidden in \$268,000,000 of water works values, you have an enormous sum to add to the other enormous sum for deduction from what appears by our census statistics to be our increase in wealth from 1860 to 1900. It represents nothing but the value of the power to levy tribute upon labor to be done. No part of the value of our labor-produced wealth, it is simply the value of our special privileges. Deduct that vast aggregate, whatever it may be, from the \$72,357,690,775 of statistical increase in our wealth from 1860 to 1900, and you have no great sum left for our people to have produced in forty years, and nothing for our protectionists to boast of.

But we can only guess at what the residuum of real wealth may be. If we have recourse to local statistics we may not unfairly guess that either of these values—the labor value and the privilege value—is about 50 per cent of the whole. According to the tax report of Greater New York for 1907, the improvement values there were \$2,140,716,428 and the land values \$3,563,293,224. The latter, therefore, was 62½ per cent of the whole. This percentage is high, probably, in comparison with other cities of the East; but in the West, city site values will not depart far from that percentage, and farm values and mining values will often exceed it. To guess, therefore, that the land and franchise values of the United States are 50 per cent of the total values of sites and fixtures may be regarded as extremely conservative. But our national statistics give no help in making this discrimination.

In other respects these statistics appear to be more inexcusably defective. In addition to being inadequate they are untrustworthy, and different methods adopted with different censuses and with different series of statistical reports on similar subjects have made them noncomparable. The data of no two censuses, Mr. Bliss informs me, are at all comparable in certain important respects, except those of the census of 1850 and those of the census of 1860. As an example he points out

that in our earlier censuses only the farm valuations of private property were reported, whereas the latest one includes valuations of parts of the public domain in its aggregate of private agricultural values. One of the farms reported is an Indian Reservation of 3,500,000 acres, valued at \$7,000,000, inclusive of improvements worth only \$25,000. Another example is in the statistics of manufactures, where he informs me that in the censuses for 1890 and 1900 bills receivable and book accounts went into the statistical hopper without allowances for debts. The wealth of our people, therefore, already heavily overestimated by the inclusion of land values, was further overestimated by the duplication and the reduplication of credits without their corresponding offsets.

It is statistics such as these that our protection orators and writers exploit as proof of increased capital, increased production, increased wealth, and increased wages. From such census tables of unanalyzable, noncomparable and otherwise defective data, they argue the virtue of protection in maintaining the prosperity of American workingmen.

Mr. Bliss assures me that the wages statistics they quote do not, in fact, indicate any considerable increase in wages when interpreted as fairly as may be with data so imperfectly collected and classified. He asserts further that the most decided increases of wages occurred in our period of comparative free trade, and that such as have occurred since then are found in the occupations in which workingmen are strongly organized. Even these occupations seem to have gained but little. According to the statistics of railroad labor, which is among the best organized of our occupations, and as they are reported by the Inter-State Commerce Commission, the best official source of such information, railroad wages have not increased much in our highest protection period. The wages of section foremen increased only four cents a day from 1892, the beginning of a depression, to 1906, a high water-mark year in a period of protection prosperity. In the same period the wages of other trackmen had increased only 14 cents a day, carpenters 20 cents, machinists 40 cents, conductors 44 cents, firemen 35 cents, and engineers 44 cents. These increases ranged from 2½ per cent to 12 per cent. Other reports show these increases to be below the average increase of wages, which has been put as high as 15 or 20 per cent for the same period. But even then our increases in wages are more than offset by increased prices of necessities.

No one who has known the United States for

the past ten years needs statistical proof of this, but it is available in a recent report on wholesale prices issued by the Bureau of Labor. Based upon data respecting 258 staple commodities, this report includes nearly everything workingmen would have to have except a place whereon to live. Rent does not figure in the estimate, although the upward pressure upon rents in the United States has been strong in these high protection years. But with rent omitted, the wholesale prices of those commodities are reported to have reached a higher level in 1906 than at any time before in the history of the country; and in 1907, when they were slightly higher, they had risen in comparison with ten years before, the beginning of our period of highest protection, nearly 45 per cent. This is more than borne out by Dun's Review. Up to May, 1907, when they were discontinued, the Index Numbers of wholesale prices in this Review, estimated upon commodities according to the degree of their consumption, showed an increase in ten years of over 51 per cent. No rise in wages at all corresponding to these indications of rise in prices, will be seriously claimed by anyone.

On the subject of volume and stability of employment, our census of 1900 reports that the greatest number of workers employed in factories during that census year was 7,069,144, that the least number was 4,524,466, and that the average for the year was 5,308,406. From this it might be argued that an average of over 1,760,000 factory workers were unemployed during one of our strictest protection years, a year in which it was the universal boast of American protectionists that American workingmen were prosperous. No one can tell, of course, whether that unemployed factory labor was employed otherwise or not. But if the factories needed 7,069,144 workers at one time during the year, and could get them, as it seems they did, and employed only 4,524,466 at another time during the year, and an average of only 5,308,406 the year through, is not the inference reasonable that employment in our factories in 1900 was inadequate and unstable? It may not have been so, of course; for demand for workers in other employments might have diminished the supply of workers in factories. But general observation clearly indicates that employment in the United States is in fact inadequate and unstable—not only is now, in the present period of hard times from which American industry is suffering, but has been all along.

No one can doubt it who realizes the universal fear among American workingmen of losing a

steady job. And there are an abundance of larger facts to confirm the conclusion. Look over the legislative records of our States, and you find laws, and bitterly resisted efforts at making laws, that speak more plainly than statistics can of the employment even of women and children in working conditions which competition would not tolerate if the demand for workers were adequate and stable. Follow these laws and legislative bills to their source among the people who agitate for them, and you learn that the demand for employment is intense in comparison with the demand for labor, and that workingmen are crowded out of work by the children of workingmen. There is statistical value in Denis McCarthy's unstatistical verse:

Dearly do we pay for progress, dearly are our profits priced,

If we have to rob the school to run the mill. . .  
Ah, my brothers! Ah, my sisters! You had better turn away

From your ledgers and your dividends and toys;  
For a menace to the future is the thrift that thrives to-day

On the bodies and the souls of girls and boys.

Our factory centers are indeed communities of soul-crushing drudgery for women and children whose pitiful wages eke out a pitiful family income. Our mining regions are centers of a pitiless serfdom that could not persist if our labor market were not glutted. Our farming regions are raising a landless peasantry as surely as they are raising corn. You cannot see much of this from the windows of our Pullman cars, you cannot learn much about it in our hotels, our smug churches or our plutocratic clubs; neither can you draw valid inferences from our statistics. But you can learn it from the lips of those who live and work in and about these points of production. It is sadly true. But could it be true after nearly forty years of protection, if protection protected?

We have had recurrent periods of what are called good times followed by hard times. But to workingmen our good times have meant only a little less difficulty in holding a job, and a little higher wages in money to be swallowed up by higher prices for the necessaries of life. Once we were told that our periods of hard times were periods of free trade. But we know our economic history better now. Our first period of hard times extended from the close of our war for independence down to 1790, when our States were protecting themselves from one another. Our second period of hard times was from about 1809 to 1824, relieved in the West with a few years of prosperous land gambling, which culminated in a crash

in 1819. During the first half of that period we were protected by non-intercourse acts and war; during the second half by our first protection tariff. Our third period of hard times came in 1835, when the protection tariff of 1833 was in full feather, and the hard times lasted until 1843. Our fourth period of hard times, the only one under a regime at all resembling free trade, came on in 1857 and was of short duration. Our fifth spasm seized upon us in 1873, when protection had begun again to gather strength, and it lasted nearly seven years. Our sixth struck us in the early '90's, when protection was more vigorous than ever before, and lasted through a term of six or seven years of unmitigated protection. Our seventh period of hard times, which began a year ago and after nearly ten years of the most rigid protection we have ever had, rests heavily upon us yet. Never again can the protected interests of the United States deceive the great working mass of our countrymen with fictitious accounts of the responsibility of free trade for American depressions. American workingmen may not yet be able to assign responsibility for the suffering of the working class in those periods, but they are confident enough now that protection has never prevented hard times nor ever restored good times.

There remain to protection agitators, of course, the soothing statistics of our exports and imports, with their demonstrations of our enormously "favorable balance of trade." But the upside-down notion that outgo is more favorable than income is no longer especially popular. In the past year we have exported more than \$600,000,000 worth of goods in excess of our imports; but no one believes any more, as they did when President McKinley told them so, that this is all coming back "in pure gold." Why, our exports for the past decade—merchandise, silver and gold, all told—exceed all our imports by the enormous sum of \$5,000,000,000 according to the same line of statistics, and the aggregate keeps on growing. Either the statistics are false, or else we are losing to foreigners instead of gaining from them—becoming their creditors without their becoming our debtors.

Turned to discords are all the musical statistics of protection in the ears of our workingmen, to weather beaten posters its once beautiful pictures of "a full dinner pail." From sad experience American workingmen have realized that for them, American protection is a fraud. But let no one misapprehend the significance of that awakening. American workingmen are not turning from protection to free trade—not consciously. If free trade is

less obnoxious to them than it once was, it nevertheless is not yet attractive. At best, it suggests to them only a futile readjustment of customs tariffs. It connotes to them the spurious individualism of greed and grab which they encounter in their disputes with employers. It implies to them the jug-handled competition, the only kind they personally know, which mockingly offers them freedom to compete for a living in a labor market overstocked with workers and under-supplied with opportunities for work. And its recognized advocates—so seldom liberty-loving free traders a-thrill with the fervor of human brotherhood—are often the same cold and calculating tariff reformers whom the American workingman finds on the side of his enemies in every industrial dispute. In these circumstances American workingmen very naturally do not turn from protection to free trade. Turning away from protection, they are turning toward socialism.

It is a natural sequel to their former devotion to protectionism. They were protectionists because they wanted to check one-sided competition; and finding that protection has intensified this deadly industrial force instead of checking it, they are looking now, interrogatively yet with some sympathy and some expectation, toward a movement which promises to abolish competition altogether.

But so far from disheartening those American free traders to whom free trade means fair play for everybody, this attitude of American workingmen should inspire them. It is their opportunity to promote the acceptance among workingmen of the principles of free trade in all their scope, by teaching to willing pupils the vital difference between the spurious jug-handled competition that our workingmen instinctively and rightly reject, and the all-sided and evenly balanced competition which by the operation of natural law would guarantee in production and trade equal opportunities and in distribution equitable shares. Evidence that some American free traders have been so inspired appears in the new policy of the old American Free Trade League, of which John de Witt Warner and William Lloyd Garrison are the leading spirits. As William Lloyd Garrison the elder stood in the middle years of the last century for the emancipation of our Negro workingmen by unconditional abolition of chattel slavery, so stands William Lloyd Garrison the younger, in the opening years of this century, for the emancipation of all our workingmen by unconditional free trade.

While there seems to be little free trade senti-

ment among us, and while in fact there is little in the traditional sense, it is a mistake to suppose that the essential principles of free trade have evaporated in the United States. The observer of American affairs who has ears to hear and eyes to see, and is not narrowly literal in his definitions, knows full well that our public opinion is rushing today like the waters of a mill race in the direction of absolute free trade. It is not so named, nor is it commonly so understood. But we may find indications of the fact in all our political parties. It is giving them an impulse which their leaders do not understand, and to which they yield with more or less reluctance when they yield at all. We feel its spirit in all our economic agitations. The trend toward government ownership of railroads, which seems to some free traders so alien to their principles, is in reality a phase of the free trade impulse in the United States. Railroads owned by private corporations have probably done more to obstruct our domestic commerce by carrier discriminations and rates so excessive as to amount to tribute, than custom houses at every State boundary line would have done. That such property must be socialized, is a powerful and rapidly growing sentiment with us, and among our workmen it is almost a unanimous sentiment. The new spirit abroad in our land, which Thomas M. Osborne, a progressive free trader of the United States, has recently described as "a spirit which means death to all forms of special privilege," is truly the spirit of absolute free trade. And it is the spirit which seems to animate American workmen as a mass, although it takes on with them the apparently contradictory form of hostility to competition and a consequent trend toward socialism.

The paradox is explained by the fact I have already emphasized. Competition has long meant to American workmen, as it means to socialists of all types, and as it has unfortunately meant to too many professed free traders, the competition of "tooth and claw." It has meant to them one sided competition, jug-handled competition, competition in which workmen compete for employers but employers do not compete for workmen, competition under circumstances in which special privileges for the few and restricted opportunities for the mass have given us a labor market where there are always ten men hunting for jobs and only nine jobs hunting for men. Hostile to that kind of competition, and unconscious of the possibilities of competition with no special privileges and with opportunities for profitable production abund-

ant and equal, where should American workmen look for relief but to socialism? If they do look in that direction, are our free traders wholly blameless? I can not completely acquit them.

For note well the significant fact that if the workmen of the United States are looking for relief to socialism, they recoil from the despotic character of socialism as thus far it has made itself manifest to them in organized form. This is not the socialism they are really looking for. The socialism they would welcome is the socialism that absolute free traders could offer—natural socialism as opposed to artificial socialism.

Those are the two general kinds of socialism—socialism of an artificial social order, and socialism of the natural social order; a socialism of arbitrary rules and despotic regulations, and a socialism of natural social law. Were I to attempt a generalization of their essential marks of distinction, I should classify them as the artificial or despotic, and the natural or democratic, attributing to the former an indiscriminating antipathy to all industrial competition, and to the latter a discriminating acknowledgment of the competitive function in industry as necessary to the maintenance of liberty.

Socialists of the natural order would make competition free under conditions of equal opportunity. In so far as that purpose necessitated public ownership—as with utilities that are governmental in character, such as public highways—they would establish government ownership; in so far as such ownership was not necessary to that end, they would confirm private ownership. They would insist, that is, upon having the government do public business without private interference, and upon leaving individuals free to do private business without government interference.

Socialists of this natural-order type would assign to individualism its appropriate place in the social organism, instead of suppressing it. They would recognize the social whole and the individual unit as having correlative functions, instead of subordinating the individual will in all things industrial to the dictation of the mass. If there are social relations of which they might say with Marcus Aurelius that "what's good for the swarm is good for the bee," there are others of which they would say, "What's good for the bee is good for the swarm." They would not abolish the laws of "mine" and "thine," but would make them apply to "ours," so that my just property should be securely my own, yours securely your own, and



ours securely socialized. They would socialize industry by obeying natural social laws; they would not militarize it, nor imperialize it, nor regulate all its ramifications with government departments and bureaus. In a word, they would stand for absolute free trade—the kind of free trade that means equal opportunity and fair play throughout the industrial field, the kind that Henry George meant when he described true free trade as tending “strongly to socialism in the highest and best sense of the term.”

Socialism of this kind, no free trader should reject. Toward free trade in this sense, American workingmen are quite ready, as I believe, to turn in resistless masses. But the free trade call to them must be made no longer in a spirit of academic authority or social superiority or rigid adherence to all the angles of doctrine in season and out of season. It must be made in a spirit of fraternal sympathy and considerate co-operation, and it must not be confined to tinkering with customs tariffs.

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## EDITORIAL CORRESPONDENCE

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### THE INTERNATIONAL FREE TRADE CONGRESS.

London, August 10.—At the end of a session of four days the first International Free Trade Congress adjourned on the 7th, after appointing a permanent international committee, and recommending that a second congress be held either at The Hague or at Antwerp in 1910. The committee consists of the following persons:

Australia.—Senator Pulsford, Mr. Max Hirsch and Mr. A. Salaman.

Austria.—Kaiserlicher Rath Adolf Schwarz and Dr. Alexander Ritter von Dorn.

Belgium.—M. Louis Strauss and M. Charles Corty.

Canada.—Mr. J. Martin, K. C.

Denmark.—Dr. Peschcke Koedt.

France.—M. Yves Guyot and M. Gustave Schelle.

Germany.—Dr. Theodore Barth and Professor Plotz.

Holland.—Baron d'Auluis de Bourouill and Dr. A. Heringa.

Hungary.—Professor Mandello.

Italy.—Professor Gaetano Mosca and Signor Edoardo Giretti.

Russia.—Professor Ivan Oseroff and Professor Vladimir v. de Sviatlovsky.

Spain.—Don Pablo Bosch and Don An. Rodriguez.

Sweden.—Professor Cassel and Baron C. C. Son Bonde.

United States.—Hon. John de Witt Warner of New York and Mr. Harvey Shepard of Boston.

Great Britain.—Lord Welby, Mr. Alfred Mond, M. P., Mr. Russell Rea, M. P., Mr. T. Fisher Unwin, Dr. Baskett, and Mr. J. A. Murray Macdonald, M. P.

The idea of the Congress is reported to have originated with Mr. Russell Rea, M. P. Last year Mr. Rea was entertaining ex-Congressman John de Witt Warner and Mr. Shephard at the House of Commons. At the dinner were the late Sir Henry Campbell-Bannerman, Mr. John Burns, Lord Marchamley,

Lord Robert Cecil, and others. During the dinner Mr. Rea threw out the suggestion of an international free trade congress, and it was warmly taken up by the late Prime Minister. with the result of the meeting which has taken the action noted above.

The Congress met at Caxton Hall on the 4th, immediately after the close of the Peace Congress which had met the previous week in the same hall. It was under the general management of the Cobden Club, and was attended by delegates from Australia, Austria-Hungary, Belgium, Canada, Ceylon, Denmark, France, Germany, Holland, Italy, Norway, Spain, Sweden, The United States, and Great Britain.

Among the more distinguished delegates were Yves Guyot of France; Theodore Barth of Germany; S. Van Houten of Holland; Cesare Lombroso of Italy; Louis R. Ehrich, A. B. Farquhar, Joseph Fels, Franklin Pierce, Lawson Purdy, W. G. Sumner, and John de Witt Warner of the United States; and Professor Bastable, W. P. Byles, M. P., Aylmer Maude, E. K. Muspratt, T. P. O'Conner, M. P., J. Murray Macdonald, M. P., Mr. and Mrs. Fisher Unwin and Lord Welby, of Great Britain. The latter presided.

A feature of the proceedings was the wonderful work of the official interpreter, who turned English speeches into French and French speeches into English with a freedom of translation and a vigor of oratory that won the admiration of every one present. His translations were speeches in themselves, and yet substantial renderings of the speeches they purported to translate.

The discussion of the first day's session was on the subject of Free Trade in its bearing on International Relations. It was opened by Winston Churchill, the president of the Board of Trade in the Asquith Ministry.

On the second day, the 5th, the subject of discussion was the Effect on Industrial and Agricultural Development of the Commercial Policies of the various countries represented. Papers bearing on this subject were presented by Signor Edoardo Giretti of Italy; Herr Gothein, member of the German Reichstag; Dr. A. Heringa, secretary of the Dutch Free Trade Union; Dr. Peschcke Koedt of Denmark; Monsieur Jules Lecocq of Belgium; Mr. Russell Rea, M. P., Great Britain; Monsieur Gustave Schelle of France; Professor W. G. Sumner of Yale University, U. S. A.; Messieurs Calvet and De Foville of France; the Hon. John Bigelow and Mr. Louis F. Post of the United States; and Baron Max Von Kubeck of Austria.

On the 6th one of the subjects was Political Morality as illustrated in the making and operation of Tariffs and the establishment of favored interests within the State, the principal papers being by Franklin Pierce of the United States and Joseph Martin of Canada. The other subject was the Revenue Aspects of Protective Duties, upon which Professor Bastable of Dublin University presented a paper.

At the last session Professor Arndt of Germany and M. Yves Guyot of France presented papers on the Present Utility of Commercial Treaties.

None of the papers were read or presented with any fullness orally, the time at the disposal of the Congress being too short to permit of that. But the subject matter was explained in brief speeches, and