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for food and raw material." But to the colonies he says, "My children, take our manufactured goods and services, and we will take your food and raw material." It is (from his point of view) an insidious attempt to ruin the colonies. He must be a pro-Boer and Little Englander. If he thoroughly believes his own doctrine, let him, to use his own words "Remember Paardeberg and flinch!"

But of course he does not thoroughly believe in his own doctrine. The most hardened protectionist has now and then glimpses of the truth that commerce, whether the persons carrying it on happen to be under the same local or imperial government or under different governments, is a voluntary exchange of goods and not an insidious scheme of robbery. If I may borrow his own words again, I would say he has merely asked us, contrary no doubt to his own intention, "to chase the rainbow of sentiment into the marsh of folly."

EDWIN CANNAN

Mr. Chamberlain's Proposals: What they Mean and What we shall Gain by Them. By C. A. VINCE, M.A., General Secretary of the Imperial Tariff Committee. With a Preface by the Rt. Hon. JOSEPH CHAMBERLAIN, M.P. (London: Grant Richards. 1903. 8vo. Pp. 87, viii.)

MR. VINCE's more sober style seems a little flat after our taste has been corrupted by the turgid eloquence of the *Daily Telegraph*, but he has the great advantage of being less prodigiously long.

The kernel of his first and second chapter seems to lie in his rhetorical question, "Where will you find in history or in philosophy, in the five continents or in Utopia, any such thing as federation without reciprocity?" I should like to ask Mr. Vince another, namely, Where will you find, in history or in philosophy, in the five continents or in Utopia, anything like the British Empire? The maintenance of customs' barriers between areas contiguous or lying close to one another, and with much the same kind of climate, soil and minerals, will almost always be an extravagant and inconvenient method of taxation even if the areas belong to different empires. The levying of customs' duties on trade between widely scattered areas with great varieties of climate, soil and minerals, may be a convenient and economical mode of raising revenue even if the areas belong to the same empire. If it is true that the Empire cannot continue to exist unless trade across the long boundary between Canada and the United States continues through the ages to be severely restricted by high tariffs, the Empire will certainly not continue to exist. If the Empire and the obvious economic interests of the Dominion of Canada are not compatible the Empire will have to go. If the Empire adopts the Chamberlainian idea of identifying political with commercial union it will commit suicide.

The third chapter is chiefly remarkable for its protest against the use of "familiar economic commonplaces against the policy." Mr. Vince wants to know whether those who use them "really suppose that Mr. Balfour and Mr. Chamberlain stand in need of this elementary information—Mr. Balfour, who in his green youth took honours in political economy at Cambridge; Mr. Chamberlain, whose early speeches have been part of the literature of the Cobden Club for a quarter of a century?" I have no certain information as to Mr. Balfour's Cambridge papers, but have no doubt they were excellent: Mr. Chamberlain's Cobdenite speeches are certainly sound and effective. But Mr. Balfour's *Economic Notes* and Mr. Chamberlain's tariff reform speeches are unfortunately more recent.

Chapter IV. is very appropriately entitled "Some Economical Fallacies." Its principal fallacy is the common one that because competition does not work without friction and delay, therefore producers of commodities which are taxed when imported into other countries, will commonly bear, at any rate, an appreciable portion of the tax. Mr. Vince quotes good authorities in support of the doctrine that the imposition of a tax on a commodity will ordinarily to some extent damage the producers then embarked in the business. But he does not seem to realise how quickly the fact that changes are perpetually proceeding from other causes will allow the amount of labour and capital to be adjusted to the altered circumstances. His want of perception of this is remarkable, seeing that he actually quotes Professor Sidgwick's statement that "the amount *and duration*" of this damage "may in certain cases be considerable." It is conceivable that, as he says, the American producers (including the railway companies) bore an appreciable part of the recent suddenly imposed British duty on imported corn. But would they have gone on bearing that part? Certainly not. The last part of the chapter, entitled "Are Imports Paid for by Exports?" consists chiefly of mere verbiage, apparently intended only to lead up to the well-known Chamberlainian comparison of the trade between the United Kingdom and foreign countries with the trade between the United Kingdom and the rest of the Empire. In the whole Chamberlainian repertory of misleading statistics there are few worse than this. It deceives the unwary because they do not notice that it leaves out of sight the roundabout trade. The Colonies and possessions export to foreign countries as well as to the United Kingdom, and these foreign countries pay for a portion of what they receive from our Colonies and possessions in exports to the United Kingdom. The Indian tribute, as it is conveniently though rather slanderously called, comes to us partly via Germany, and the wicked Germans steal the Indian products and substitute goods made in Germany. When Mr. Chamberlain discovers Fuller's Return (Parliamentary Paper, 1903, No. 262, *Trade Colonies and United Kingdom*) and recognises that the United Kingdom is not the only part of the British Empire which trades with foreign countries, he will see that it is India and Australia that are responsible

for the import of German bottles. "Let India perish" and you knock off many millions of our supposed ruinous imports from the Continent.

The next chapter "Taxes on Food; what they cost us," is devoted to the task of endeavouring to show that the proposed taxes on food would not much increase the cost of living, and that any increase there might be could be easily made up to the poor by a reduction in the taxation of tea, coffee, chicory, cocoa, sugar and tobacco. The sixth chapter "Taxes on Food, what they will do for us," says they will stimulate colonial agriculture and make the British "surplus agricultural population" emigrate to Canada instead of flocking to our towns. The Empire will soon be able to feed itself and British farming will be encouraged. We are told, that "what the farmer wants is not so much a high price as a steady price." I suppose this must be true, at any rate protectionists have been saying it ever since 1814, when the not high but steady price they clamoured for was 80s. a quarter or more. Then the chapter begins to drift rather aimlessly, but I extract the gem, "We owe cheap bread to mechanics, not to politics." I have no doubt that politics will not make bread cheap, but I am not so sure that they will not make it dear—there are plenty of examples in history of that process.

Chapter VII. compares Foreign and Colonial Trade, and concludes that the foreign trade is comparatively bad because foreign countries take less manufactures in proportion to the whole than the Colonies. Mr. Vince, however, like the *Daily Telegraph*, seems quite ready to ask the Colonies to adopt the fatal policy of exporting raw products in exchange for manufactures, so I am afraid he, too, must be written down as a Little Englander. In Chapter VIII. Mr. Vince says our export trade (he does not say whether he means export trade to all countries or only to foreign countries) is changing for the worse by including a smaller proportion of manufactures. Of course he does not include in his review commercial services, which contain less raw product even than manufactures. The chapter ends with more or less just criticism of some rather antiquated free trade books which appear to have attempted to prove that protection could not prevent importation. Chapter IX., on Commercial Treaties, appears to be intended to recommend such treaties, and praises Cobden for negotiating the French treaty of 1860. But all it has to say about the effects of that treaty is "The removal of the duty on French manufactured silk ruined the English silk trade, and Coventry starved for the good of the nation. Rich ladies walked in silk attire at a slightly reduced expense; and a considerable number of working men were hard put to it to clothe their wives even in cotton." Is not this rather damning with faint praise? After a passage of this kind it is difficult to believe that Mr. Vince would, as he says, "deplore" a tariff war; imports are obviously hateful to him and a good rousing tariff war which would exclude the whole of them would be highly pleasing to him. The most-favoured-nation clause is no good, he

contends, because the things which other countries haggle about and get put at low rate are not those which we are likely to offer for export. But he does not offer any evidence of the two propositions that the things which other countries haggle about do get put at low rates, and that we do not export much of them. A single hypothetical example on such a subject is scarcely conclusive. The next chapter on dumping is decidedly dull: the inconveniences to a country which results from the occasional arrival of goods unexpectedly cheap have been already exaggerated *ad nauseam*, and it is about time the advantages were thought of. Otherwise we shall soon have people proposing to put a stop to fishing because it is so inconvenient to the fishermen when they have a particularly large haul, and we may perhaps have a professor enlarging upon the disastrous effect of a season of reasonable weather, as such an exceptional occurrence might well ruin thousands. "Our Trade with America" suggests that we are withdrawing capital from America, which is very likely true, and spending it in riotous living, which may or may not be true, but if true could only be remedied by giving up riotous living, not by interferences with import duties. The apparent inability of the Chamberlainian to see that thrift is the cure for extravagance is very curious and not over creditable to his intelligence. The final chapter, on "The Interest of Workmen in Fiscal Reform," suggests that a discriminating tariff is "exactly what is wanted to complete the work begun by factory legislation and by the establishment of standard rates of wages." Foreign nations should be compelled to send "what we choose to take—food for instance, materials, and manufactures for the production of which they possess natural advantages—instead of what they prefer to send." Mr. Vince should really be more accurate; foreign nations do send us at present what "we choose to take," and pay for. What he means is that foreign nations should send us the things which Mr. Chamberlain, assisted by a committee of manufacturers selected by himself, thinks fit to allow us to take. Moreover, Mr. Chamberlain, to judge from his speeches, does not appear to think that any foreign country has "natural advantages" for any manufacture, and the most important part of his proposal is the hindering of imports of food from foreign countries.

EDWIN CANNAN

Life and Labour of the People in London. By CHARLES BOOTH.
Final Volume. (London: Macmillan & Co. 1902. Pp.
451. Crown 8vo. 5s. net.)

"SEVENTEEN years and an equal number of volumes have been occupied with this inquiry." These are the suggestive words used by Mr. Booth in the opening sentences of the fourth and concluding section of his "final volume." The three preceding parts are entitled respectively "Some Comparisons," "Habits of the