

CONTENTS

CHAPTER I

THE BASIS OF CUSTOMS UNION

	PAGE
The Desire for Fiscal Unity—Inapplicability to the British Empire— Contrast between the British Empire and the United States— The German Zollverein and the United States Constitution— How the First came to be Constructed—Want of Elasticity in the Second — Conflict of Interests in both Countries — Evidence afforded by Tariff Discussions and Rearrangements—The Case of Austria-Hungary—Federal Canada and Australia—Modifying Forces in American Protection—Influence of Railway Connection —Great Britain and Ireland—What Ireland needs for Industrial Development — The Essence of Working Partnership — Risks involved to Minor Possessions . . . . .	1-22

CHAPTER II

THE WORKING OF THE CANADIAN PREFERENTIAL TARIFF

Natural Affinities of Canada and the United States—Causes of Fiscal Warfare between them — The Dingley Tariff and Canadian Sentiment — Policy of Canadian Liberals—Objects and Nature of the Preferential Tariff—Trade History of the Dominion with the United States—Politics and Commerce—Extent of Reduc- tion in Duties — Development of Canadian Trade since 1896— The Share of the United States — Participation of the United Kingdom — Trade with British Possessions — With Foreign Countries—The Iron and Steel Industry—Threatened Revolution --Cotton Imports and Manufacture—The Woollen Industry— Movements in Miscellaneous Imports — The True Canadian Policy . . . . .	23-62
--	-------

xii CONTENTS

CHAPTER III

THE FOREIGN COMMERCE OF AUSTRALIA AND NEW ZEALAND

	PAGE
The Drift of Australasian Trade—Influence of the Suez Canal—Principal Products of the Country—Federation and its Effect on Trade—The Continental Wool Trade—Gradual Extension to other Commodities—Conditions of Commercial Intercourse—Merchandise Marks Act—Financial Crisis in 1893—Wide Fluctuations in Imports, and Changes of Distribution which resulted—Export Movements—Recent Decline of Wool Production—Growth of Direct Continental Trade—Trade Balances with the United States—Special Situation of New Zealand—British Imports of Australasian Produce—Relative Importance of United Kingdom and Foreign Countries as ultimate Consumers—Foreign Competition in Australian Markets—Trade with China and Japan—South-Sea Politics—Inter-Colonial Free Trade—Australasia, Canada, and South Africa . . . . .	63-100

CHAPTER IV

SOUTH AFRICA BEFORE AND AFTER THE WAR

Simplicity of Trade Issues—Existing Customs Union—Fiscal Conditions in the Transvaal Republic—Transit Duties—Monopolies—Influence of Gold Distribution on Trade—Diamonds—Wool and Ostrich Feathers—Copper and Coal—Sentiment in Trade—South African Tariffs—Taxes on Food—Prevalence of Exceptional Economic Conditions—High Wages and Cost of Food—Need for Stimulus to Local Agriculture—Concessions to British Colonial Produce—Probable Effect on Prices—Extent of Trade with other British Possessions—Imports and Sources of Supply of Food Products—The Tariff on Manufactured Goods—Opportunities for Preferential Treatment not so Favourable—Textiles, Wearing Apparel, and Domestic Requisites—Mining and Industrial Plant and Machinery—Reasons for continuing International Competition—The Trade <i>via</i> Delagoa Bay—Miscellaneous Imports—Dynamite and Blasting Compounds—Trade and Taxation—The Contribution of the Mines—Comparison of Imports and Customs Duties—What South Africa most needs for Future Development—A Warning for the Future . . . . .	101-152
--	---------

CONTENTS xiii

CHAPTER V

THE FOREIGN TRADE OF INDIA

	PAGE
The Trade of India in Some Respects Unique—Poverty of the People —Displacement of Local Industry by Legislative Interference— Cotton Duties—Currency—Alteration in Method of Publishing Trade Returns—Countervailing Duties on Sugar—How the Balance of Trade is Created and Liquidated—Nature of Indian Export Trade—Food Products—Oil-seeds—Raw Textile and other Materials of Manufacture—Miscellaneous Commodities— Wages and Prices—Distribution of Exports—Of Imports—How it Affects the Trade Relationships of other Countries—Cotton Piece Goods—Import and Consumption of Salt—General Import Trade—Foreign Competition and Encroachment—Natural Drift of Trade—Great Want of Modern Agricultural Appliances— Essential Necessity of Free Trade Conditions—Supersession of Indian Products—Indigo—Jealousy of British Manufacturers— Overland Trade—Import and Export Returns . . . . .	153–199

CHAPTER VI

CROWN COLONIES

Nature and Influence of their Populations—Dominance of the White Race in Government and in Trade—Ownership of the Land. THE WEST INDIES :—Natural and Political Affinities—Drawbacks arising from Restricted Area—Importance of the Sugar Industry —Success of Cocoa Cultivation—Obstacles to Fruit Culture— Dependence on Foreign Food Supplies—Endeavours to Negotiate Commercial Treaties—Advantages Offered and Sought by United States—The Jamaica Subsidy and Fruit Industry—Absurdities of the Fiscal System—Trinidad and Venezuela—Generally Unsound Economic Conditions. WEST AFRICA :—Activity of Foreign Nations—Resulting Political Complications—Limited Character of Export Trade—Importance of Foreign Countries as Consumers of the Products—Disadvantages of Climate—The Spirit Trade—Cotton Piece Goods—Hardware—Working Expenses of Trade—The Gold Mining Industry—Chaos of the Present Tariff System—Basis of Readjustment—Trade Clearing Houses—Transit Dues—Coinage and Currency—Free Trade. THE FARTHER EAST : CEYLON :—Competition with India—Different Distribution of Trade—The Tea Industry—Plumbago—Cotton Goods. MAURITIUS AND SEYCHELLES :—Transfer of Landed Estates
--

	PAGE
to East Indian Cultivators—Sugar Trade with India and South Africa—Vanilla and Cocoa-Nut Industries. HONG-KONG :—Purely a Trade Centre—Increasing Competition of Foreign Countries. STRAITS SETTLEMENTS :—Natural Products—Importance as a Transit Station—Absolute Fiscal Freedom—Currency—Partial Dependence on British Free Trade . . . . .	200–250

CHAPTER VII

MISCELLANEOUS POSSESSIONS AND PROTECTORATES

NEWFOUNDLAND :—Rigorous Nature of the Climate—Importance of its Fisheries—French Competition—Principal Customers for Products—Prospects of Federation with Canada—Mutual Advantages to be Secured. BERMUDA :—A Military and Naval Station—Trade dependent on the United States. BRITISH HONDURAS :—Timber Production. SOUTH-SEA ISLANDS :—Fiji Sugar Industry—Cocoa Nuts—Trade almost entirely with Australasia. FALKLAND ISLANDS. BRITISH NEW GUINEA. BRITISH NORTH BORNEO AND LABUAN. MALAY PROTECTED STATES. AFRICAN PROTECTORATES :—British East Africa and Uganda—Zanzibar—British Central Africa. GIBRALTAR AND MALTA. ST. HELENA. CYPRUS AND EGYPT . . . . .	251–268
---	---------

CHAPTER VIII

THE COLONIAL TRADE OF THE UNITED KINGDOM

The Place of the United Kingdom in the Trade of the Empire—Advantages enjoyed by Colonies over Foreign Countries—Some Reasons for them—Analysis of Colonial Trade—Transit Trade—Adjustment through Gold Shipments—The Gold Movement in India—Varying Trade Relationship between Colonies and United Kingdom—How Trade Balances are Settled—Relative Trade Value of different Possessions—Canadian Expansion and Prospects—Particular Value of Australia to British Industry—Evidences of New Zealand Prosperity—British and American Competition there—India and Ceylon—Satisfactory Position of British Trade with South Africa previous to the War—Changes created by that Event—Division of Trade in the West Indies—The Value of West Africa—Recent Tendencies in its Trade—Foreign Interests and Competition—Drawbacks to Extension—Nature of Trade with Straits Settlements—Newfoundland—East Africa—Dwindling of its Trade with the United Kingdom—German and French Competition—Steps required to meet it . . . . .	269–311
---	---------

CONTENTS

xv

CHAPTER IX

THE FOREIGN TRADE OF THE UNITED KINGDOM

	PAGE
Relative Importance of Foreign to Colonial Trade—Increasing Excess of Foreign Imports over Exports—Nature of Foreign Imports—Countries Contributing them — Complications and Anomalies with Western Europe — Scandinavia and Denmark — Russian Protection and Restriction—Spain and Portugal—Unique Relations with Italy—Threatened by United States—Reasons for Attempting to Divert Trade from Western Europe—Its Small Value to British Industry — The Importance of Trade with Turkey—Greece and the Balkan States—Development of Egypt under British Administration — Northern Africa — Trade and Politics in Persia—The Situation as regards China—Rapid Expansion of Trade in Cotton Goods—How does China Discharge its Indebtedness? — Serious Position of the United Kingdom and India regarding this — Necessity of Increased Chinese Production and Export—Trade and Industrial Expansion in Japan—American Competition in the Far East—Risks attending it — Magnitude of British Trade with the United States—Possible Culmination—One-sided Nature of it—Central and South America—Changed Relationship with Brazil—Growing Importance of the Argentine Republic—The West Coast Trade—Foreign Colonial Possessions—West Africa — The Canaries — Dutch East Indies—The New American Dependencies—Foreign Imports extensively paid for with Gold—The Risks Attendant on this—Possibilities of obviating them . . . . .	312-358

CHAPTER X

GENERAL CONCLUSIONS

Conditions of Unity in the British Empire—Extent of its Productions — Limited Number of Commodities produced in Excess of Internal Consumption — The Wool Trade — The Cotton Trade—British Cotton Growing Association—What it may Accomplish—Conditions necessary for Successful Cultivation and Marketing—The Unwisdom of Artificial Stimulation—Possible Results of Cotton Cultivation in the Southern Hemisphere—Growth of Wheat in the Empire—Few British Possessions to be Relied on—What Canada may Accomplish—Objections to Preferential Treatment—Emigration — Other Nationalities more concerned than the British—	
---	--

xvi CONTENTS

	PAGE
Reasons for more Rapid Peopling of Foreign Countries compared with British Colonies—Assistance given to Colonial Expansion—Colonial Shipping Subsidies—Their Restrictive Influence on Trade—The New Departure in Jamaica—How Future Subsidies should be Controlled—Natural Advantages enjoyed by Shipping in Colonial Trade—Foreign Shipping Policy—Probable Cause of Rapid Expansion of United States Trade with British Possessions—Canadian and New Zealand Intercourse with South Africa—Preferential Tariffs—How they may be Safely Applied—The Consequences of a British Corn Duty—Why Colonial Trade should be Stimulated in Preference to Foreign—Its Greater Value to British Industry—Importance of Backward Countries to British Trade—The Sugar Question in its Bearing on British Trade—Who Pays the Coal and Corn Taxes—The Fundamental Basis of the Tariff System—Difficulties of Legislation—Directions in which it may be Applied—Greater Importance of Individual Effort—More Effective by Colonial than British Traders—Division of Trading Interests—Drawbacks Arising from their too Intimate Association—What Legislation is Justifiable—Foreign Competition not necessarily Detrimental to British Manufacturers and Traders—The Final Lesson . . . . .	359–411

STATISTICAL APPENDIX.

TABLE A. United Kingdom Merchandise Imports and Exports with Principal British Possessions . . . . .	415
„ B. United Kingdom Merchandise Imports and Exports with Principal Foreign Countries . . . . .	416
„ C. Total Oversea Imports and Exports of Principal British Possessions with the British Empire and Foreign Countries . . . . .	418
„ D. British and Irish Exports in which British Possessions predominate . . . . .	420
„ E. British and Irish Exports in which Foreign Countries predominate . . . . .	422
INDEX . . . . .	425