

IV.—*Further Extension of Free Trade and Direct Taxation.*—By
James Haughton, Esq., J.P.

[Read Tuesday, 8th December, 1868.]

THE principles involved in these terms were long looked upon as the dreams of visionaries, and utterly unworthy the consideration of sensible men. And, indeed, it has been only within a few years that juster and truer notions on these questions have begun to influence the minds of statesmen and commercial men in several of the countries of Europe. And even now, when it may be said that the fallacies of the restrictive mercantile system of former times are abandoned and acknowledged to be no longer tenable, there exists everywhere the same difficulties to a wider extension of the sounder principles of intercourse between the nations, as the earlier reformers on these subjects had to encounter.

We were told, and it was stoutly maintained, that any relaxation of the vicious system of Customs and Excise duties, in existence only a few years ago, would be adverse, indeed ruinous, to the best interests of our country. At the period I refer to, some fourteen hundred articles of commerce were subjected to duties on entering the ports of Great Britain and Ireland. And now that experience, coming to the aid of sound reasoning, has proved the utter fallacy of the idea that such restrictions on commerce were wise, we are met in our efforts to carry out our sounder views to their full extent, by the self-same arguments, that there is danger and inexpediency in the course we recommend—which experience, as well as truer reasoning, has proved to have no foundation whatever. On the contrary, the results of the partial adoption of free trade, and of the mode of direct taxation of late years resorted to by our Government, have created a largely increased and profitable intercourse between us and other nations, to an extent far beyond the expectations of the warmest supporters of these principles; no injury, such as was apprehended by the opponents of these measures, having resulted from their adoption. In what, therefore, consists the wisdom of resisting their extension to the full carrying out of those principles, and of that practice which has already so immensely extended the trading intercourse of these countries with other lands—which enlarged intercourse must have been a benefit to many other nations as well as to ourselves? I cannot understand, on any grounds of common sense, the meaning of the opposition still given to the extension of principles which experience unquestionably proves to have been so beneficial in their results to us and to mankind.

It is because this opposition to sound principles exists, both openly and inertly, that I have desired to bring the subject under the notice of our Society at this time, in the hope that its influence may be beneficially exercised in regard to it.

Heretofore Irishmen, as it seems to me, have been too indifferent to the consideration of these great questions. Our merchants have

held aloof from their discussion, in a manner not creditable to our country. So far, we have literally done nothing for the promotion of those commercial reforms, which have reduced the number of articles of commerce subjected to Customs and Excise duties from fourteen hundred to somewhere between forty and fifty (forty-eight, is, I believe, the exact number), at which they now stand. We, as well as other portions of the United Kingdom, derive the benefit of these remissions, though we took no part—no active part certainly—in their promotion, and are doing nothing now to secure their further extension. I desire to bring public opinion to bear on this apathy, or this indifference to questions of great public interest. How can we hope to be respected unless we take an interest with other portions of the kingdom in great public questions? Twice have I brought the questions which I am now considering under the notice of the merchants of Dublin, but I failed on both occasions in evoking any public feeling either for or against the measures I proposed. They were favourably looked upon by many, yet an unaccountable indifference still prevails; so that while I deeply regret and censure the open contempt frequently cast upon Ireland by English writers, I constantly ask myself—do we not almost inevitably, by our want of manliness, bring it upon ourselves?

On the first occasion above referred to, I addressed our Chamber of Commerce nearly in these terms, at the annual meeting, in June, 1863 :—

“Mr. James Haughton said he wished to call the attention of the meeting to a pamphlet which he had recently received; it contained several matters of great importance, especially to the mercantile interest. It related to proceedings of a society on the continent, having for its object the abolition of Customs. The leading contents were: A Circular from the Central Committee at Brussels. A Report from the General Assembly at Brussels: Practical Suggestions for the Abolition of Custom Houses. His object in bringing this report under the notice of the Chamber was, in the hope that the Council would put itself in communication with this exceedingly respectable body in Brussels. The questions there considered were of such a nature as should engage the serious attention of the merchants and traders of Dublin—viz., The perfect freedom of trade, and an entire change in the system of raising the public revenue, so as to leave trade perfectly free, and that there should be no custom-houses to interfere with the freest intercourse of nations one with another.”

I abridge my second appeal also. It was nearly as follows :—

“TO THE COUNCIL OF THE CHAMBER OF COMMERCE, DUBLIN.

“Gentlemen—A considerable time has elapsed since I brought under the notice of our Chamber my views on the subject of free trade. My proposition was not then received with the attention which I felt fully sure it deserved, and I am disposed again to bring the question under the notice of the merchants of Dublin, because of the action recently taken on the subject by the Council of the Chamber of Commerce in Liverpool. It has long seemed to me

that the merchants of Dublin have never taken this great subject of free trade into their consideration, in a manner commensurate with its importance, or suitable to the dignity of the position they should be ambitious to occupy, as one of the first commercial cities in the empire. Ireland has derived, and is yet to derive in a much further degree, great advantages from the adoption of free trade principles, so far as they have yet been adopted by our legislature; and why should not Dublin, therefore, take a prominent part with other cities in the empire (and with many advanced communities on the Continent) in pressing upon our Government the value of an immediate still further extension of those principles and practices which tend to bring nations into harmony one with another, and to promote 'peace on earth, and good will among men?' The action taken by the Liverpool Council, to which I have alluded, is a memorial lately presented by them to the Chancellor of the Exchequer in favour of the abolition of all Customs duties, save six of the most productive ones, and which procedure I recommend to your favourable consideration, in the hope that you may soon support their application by a similar memorial. You will see from it that articles subjected to duties have been reduced since 1842 from 1,072 in number to 48. Of those 48 articles only six are productive, to any extent, to the revenue. The entire yielded a sum last year of £21,356,723; of this sum, spirits, sugar, tea, tobacco, wine, and malt contributed £19,231,494, and all the remainder only £1,675,904; so that without any danger of loss to the revenue—I should rather look for a considerable gain in the fresh impetus given to trade—the other forty-two articles might safely be struck off the tariff, and by their free admission they would doubtless give great additional impetus to the trade of the country. The Liverpool memorial presents these advantages in a clear and convincing way by a few figures. These show that the increase of imports and exports between 1840 and 1865 exhibit the following results:—

In 1840	their amount was	£172,132,716
1865	„	489,990,285

These figures exhibit great and important results, which the Liverpool Council believe would be largely increased by the relaxation of duties which they now recommend. These figures cannot fail to bring conviction to every mind open to conviction, of the value of those principles which I am desirous to see Irish merchants advocating with earnestness and manliness.

“JAMES HAUGHTON.

“35, Eccles-street, May 20, 1867.”

Still these important questions remain untouched by our Dublin merchants, and, indeed, everywhere in Ireland. Even our public writers seldom notice them, their attention being almost entirely given to local matters, so that generally much ignorance on these vital questions prevails. I hope in some measure to dissipate this indifference through the influence of our association.

The following extract from a speech by Mr. Gladstone, at a

meeting of the "Société d'Economie Politique," will, no doubt, be read with much interest. It was delivered in Paris, some time about the month of March, 1867; and the Emperor thought it of such importance that Mr. Gladstone should attend and speak at that meeting, that he excused his dining with him on that day, and postponed his interview with him to a future day :

"We have advanced far in the process of liberating trade. The efforts and the legislation of a quarter of a century have reduced our tariff from twelve hundred articles, it may almost literally be said to seven. Gentlemen, for this comparatively advanced condition I do not say that we deserve any credit whatever. We set the nations of the world a bad and pestilent example by building up, through generations, a protective and prohibitory system in all its rigour. Nevertheless, having mended our ways, we are anxious that other countries, too, should profit, if not by our precept, yet by our example. For this purpose I boldly refer to matters of fact. If it be good to abolish prohibitions and to substitute protective duties, if it be good to pass from high protective duties to those which are moderate, and again from the moderate to the low, there is one step yet to be taken—it is to abolish such duties altogether; and believe me it is the best of all. As long as duty of this kind remains, it is after all a question only whether the chains laid upon human industry and skill shall be heavier or lighter; but there they still remain. And do not let us fall into the sophism which would persuade us that the extinction of a duty is of necessity a loss to the State. The State abolishing duties which fetter industry finds its compensation in an increased return which the augmented wealth and activity of the country supplies from less exceptionable sources. And most earnestly do I hope that France, which has gained such rich and surpassing distinction in almost every field of human excellence, will add yet this one to her triumphs, and will achieve this complete emancipation, alike for her own strength and glory, and for the benefit of mankind."

These are noble words; and such sentiments, coming from several of our most enlightened men, must eventually free our commerce from all the shackles which still impede its progress among the nations.

This extract brings before my mind the Cobden treaty of commerce with France, which, although hampered with heavy protecting duties in the *imagined* interest of French manufacturers (which not all the sagacity of the Emperor, nor the enlightened and advanced opinions which he is believed to entertain on the subject of free commercial intercourse, has enabled him to counteract), has, nevertheless, shown us by its great results how much more splendid these results would be in the future, if a system of perfectly free trade prevailed between us and that great people. Imperfect as it is, (and that was no fault of Richard Cobden, nor, I believe, of Napoleon either) the amount of freedom of trade secured has already produced highly gratifying results.

The commercial intercourse between us and France, for three years before and three years after the treaty—that is, for 1857, 1858,

and 1859; and 1861, 1862, and 1863, is represented by the following figures:—

First period	£72,239,136
Second do.	126,015,529

I would not detract an iota from the honours due to the name and fame of the illustrious RICHARD COBDEN. His must ever be an honoured name in the history of England. But my own strong conviction is that all commercial treaties are unnecessary and mischievous. Unnecessary, because commerce can only be carried on by a mutual interchange of productions; mischievous, by raising false issues, and thus delaying the free intercourse of nations.

We hesitate to open our ports freely to all nations, without let, or hindrance, or obstruction of any kind, to a commercial intercourse as free as the air we breathe, unless we can prevail upon them to reciprocate our friendly advances, and this hesitation—unwise hesitation, as it appears to me—is caused by our want of faith in those economic laws which govern the trading intercourse between nations. According to these laws, there is no use in insisting by treaty on reciprocity, for without reciprocity no trade could exist. If our statesmen threw open our ports to all the world, and welcomed the produce of every nation, without a line in the way of treaty with any of them, or a word said on the subject, beyond our own Parliament, we should, if I be not entirely in error, reap every advantage which freedom of trade (I would add direct taxation, for they go hand in hand together) is certain to confer on every nation which has the wisdom to adopt these healing, these wealth-giving, (but that is their smallest value) these peace-preserving relations among mankind.

Some may exclaim—What! admit the produce of all nations, and permit these, if they be so minded, absolutely to refuse to take any of our products in return! I reply, the thing is impossible; we can only trade at all by the interchange of products; and this is evidently the means devised by Providence for bringing mankind together in love and harmony. Different climates and varying productions are found in different lands and invite this intercourse, which, if we had the wisdom to allow it to flow freely, would enrich all parties, and increase the comfort and happiness of all, by allowing all to partake of the bounties of Providence, which can only be secured by this mutual interchange of the varied products of the earth.

I have heard it objected to this perfectly free intercourse, of which I am an advocate, that the abolition of Customs and Excise duties would act injuriously on our revenue—that the wisest fiscal system consists in its being of a mixed nature, compounded of indirect and direct taxation. I have heard this statement made dogmatically, as if it did not admit of any doubt. But I have never heard a single argument, based either on economic reasoning, or on our knowledge of facts, in support of such reasoning; and I apprehend—indeed it cannot be doubted—that the experience of late years confutes the idea altogether. It is true, at all events, that the

revenue of those countries has greatly increased—increased in an amount which our fathers would have deemed an impossibility—and, I believe, the enlarged revenue of the present day is raised with even less difficulty than was the much smaller amount of only a few years ago. And to what cause can this be attributed except to the increased wealth of the nation? and whence comes this increased wealth? Solely from the acknowledgment of the truer principles of commercial intercourse which have of late prevailed over the prejudices of our forefathers. And surely if the line pursued has been thus productive of national—and not of national alone, but of world-wide—advantage, and on sound principles not yet carried to their legitimate extent, the complete emancipation of trade must be productive of still greater good to us and to mankind. These sure results are beautifully expressed in the following words: “Extended intercourse will teach us to know and respect each other; and the identity of interest that an ever-increasing commerce will develop, will become a bond of peace and friendship throughout the world.”

Almost every calamity that could befall a nation was dolefully predicted at all times by the opponents of free-trade: “Agriculture, manufactures, and shipping were to become involved in one common ruin.” None of these evil forebodings have been realized, but, on the contrary, increased prosperity to all these interests has been the result. A few figures representing the shipping interest will place this in a clear point of view:—

Number and tonnage of vessels registered as belonging to the United Kingdom, at the end of each of the following years —

	Number.	Tonnage
1816	22,026	2,504,290
1840	20,685	2,584,408
1849	25,902	3,485,958
1860	27,663	4,658,687
1863	28,637	5,328,073
1865	28,787	5,760,309

Protection from 1816 to 1840 cramped this great national interest; freedom since has given it great development. Foreign competition was so greatly dreaded that the navigation laws were not entirely repealed until 1856. Our coasting trade was guarded until then, and what has been the result of freedom? See it in these figures of the tonnage engaged in that trade:—

	British	Foreign.	Total.
1856	15,163,755	53,489	15,215,244
1860	16,901,188	102,223	17,003,411
1863	17,465,635	81,897	17,547,532
1865	18,510,649	71,705	18,228,354

Wages to shipbuilders exhibit like happy results:—

Ship Carpenters	1846.	1865.
Ship Joiners	30s.	42s.
Ship Smiths	27s.	36s.
Riggers	24s.	36s.
	27s.	36s.

In various other branches of national industry I could give ample evidence of like happy results ; but I must forbear, as I may not trespass too much on your time or patience.

The subject appears to me one pre-eminently interesting, because of its intimate bearings on the peace and prosperity of our country and the happiness of mankind ; and surely these are considerations which in the present era of civilization neither people nor their rulers should lightly set aside. I refer those who desire to obtain ample details regarding it, to a small volume of 199 pages, by John Noble ; Longmans and Co., London, 1867, entitled—*Fiscal Legislation, 1842, 1865, a view of the Financial Changes of that period, and their effects upon Revenue, Trade, Manufactures, and Employment.*

This book is a most able work on the subjects it refers to. From it I have taken most of the figures given in this paper. A copy of it will be found on the table in our Chamber of Commerce, to which I presented it.

I meant to have quoted freely from other sources, if my limits permitted ; pardon me if I have already trespassed too far. I hope, however, that I have given sufficient evidence of the value of those great principles of Free Trade and Direct Taxation, to induce some of our influential men to think more seriously than perhaps they have yet done of their great importance to the future development of the industry of our country.

Any one who will turn to the London *Times* of the 20th January, 1868, will find there one of those able articles on the present state of trade in America, which are frequently to be found in that inconsistent but very influential journal—which exhibits the folly of refusing to be guided by those economic laws which govern the trading relations of nations in a very striking point of view ; and fully confirms those free trade sentiments which I advocate, and which I feel assured it would be to the honor and advantage of Ireland, if her gentry, her merchants, and scientific men could be induced to take a warmer interest in them. We, in common with other sections of the empire, have our petty differences on many questions, the tendency of which is to alienate instead of combining us for a common purpose ; but surely there are some grounds on which we could combine, some platforms upon which we could meet and put our forces together to secure a common good. The question I am now discussing seems to me to be one of those objects which should bring us together like sensible men for effecting a good purpose—setting aside for the time being party or sectarian considerations. This purpose is one in which all are alike interested, and in which all should be alike desirous to ascertain the wisest course to pursue. Passion and prejudice cannot perhaps be wholly set aside on any subject of human discussion ; but in this case surely we should not permit such feelings to prevent our cordial and general co-operation, when the knowledge and wisdom gained by experience, and by a clearer insight into those economic laws of God which govern commercial intercourse, are more generally diffused than they were even a very few years ago, and an adherence to

them more generally acknowledged to be essential for promoting the peace, and happiness, and wealth of mankind.

As the opinions I hold in relation to the traffic in intoxicating liquors may seem to some inconsistent with the views on Free Trade which I have expressed in this paper, I beg to offer a few words in explanation. I am an advocate for "The Permissive Bill." If that act were passed, and the people at large were thereby permitted to decide whether the liquor traffic should be continued or abolished altogether, and that the majority voted for its continuance, I should say, in such case, that the trade should be open to all who inclined to embark in it. A trade which it is right for one man to follow ought to be free to all: but if, on the contrary, it was the decision of a large majority, which I believe it would be, that this traffic was a common nuisance, no one should be allowed to engage in it; for it is clear that if sense and reason are to govern our actions, no business which is more injurious than beneficial to mankind would be considered as a right and honourable occupation for any one to follow. The liquor traffic, taken from this point of view, and in justice to the safety of life and property, and the maintenance of good morals, has no place in the category of trades useful in the sight of God or man; and it should therefore be prohibited as a curse to our country. But this is a question for the people to decide, when the legislature gives them the power to do so. If they vote for its continuance, it should be open to all. It is not the business of government to prevent capital from flowing into any business which is engaged in under its sanction. The slave trade, once followed by Englishmen, illustrates my views. It was open to all; but when the mind of the nation was awakened to its enormity, it was abolished—not licensed or regulated by law; so it will yet be with the liquor traffic, which is a greater curse to these nations. Ireland was never cursed by a participation in the slave trade, but the liquor traffic has long been to her a source of moral and physical degradation. It has long been the great impediment to her advancement in comfort and civilization.

V—*The Defects of Private Bill Legislation.*—By George Orme Malley, Esq., Q C., Barrister at-law.

[Read Tuesday, 16th February, 1869]

THE great importance of the question of Private Bill Legislation in relation to the growing wants of the community is so vast and so interesting, that it requires no small resolution for anyone, however experienced, to undertake the treatment of the subject. I hope, however, that before an audience like this, the defects in my manner of dealing with it will be received with every indulgence, and my deficiencies atoned for by the motives which have induced me to accept the responsibility.

As the social condition of a country improves in material prosperity, the exigencies of good local administration proportionally