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## THE HISTORY OF THE POLITICAL AND ECONOMIC CLASH BETWEEN AGRICULTURE AND INDUSTRY DURING THE PAST HUNDRED YEARS

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THE title of this paper has been altered slightly from that which was submitted to me. In the original title the economic clash was placed first. I have changed the order. The economic clash, if there has been such a thing, between agriculture and other industries, has either been of an indirect and subtle kind, or it has been very slight. One relationship which may be regarded as a clash is the competitive attraction which non-agricultural industries have had for men born of parents engaged in agriculture. They have drawn away many of the most active and enterprising people. Against this doubtfully injurious influence, prospering industries have maintained a growing non-agricultural population alongside of the agricultural producers, resulting in the provision of a good market. The real economic clash has been between the agricultural producers here and the agricultural producers in our dominions and colonies and in foreign countries, but this subject is not directly within the scope of the present paper.

Our task is narrowed to a consideration of the political clash between agriculture and other industries, or rather between the agricultural party—the men who claimed that they represented agricultural interests in politics—and the rest of the community. This does not mean that the task becomes simple or easy. To understand the origin of this conflict we must go back beyond 100 years, but not too far back. Between 1360, when the first Corn Law was passed, and 1815 no fewer than 120 acts dealing with the corn trade had been placed on the Statute Book. It was about 1750, however, that the problem with which we are dealing began to take definite shape. Men who had the gift of looking ahead, no matter to what class they belonged, or in what industry they were engaged, saw that the growth of population in mining, manufacturing and commercial centres would call for a decision about the future food supply. They foresaw two dangers, (1) the possibility of a very serious shortage of food if foreign corn were strictly excluded, and (2) the possibility of serious reductions in prices and in rents if

foreign corn, attracted by the growing demand and higher prices here, came in too great quantities. Such excessive imports would cause unprecedented loss to landlords and farmers.

The representatives of these interests were dominant in Parliament. They had always been accustomed to regulate the trade in corn by legislation—to encourage export by bounties, and to discourage import by taxes. In 1773 a Corn Law was passed which provided for the use of both expedients. A bounty of 5 shillings per quarter of wheat exported was given until its price rose to 44 shillings. At that figure the bounty was dropped, and the task of getting the price up to 48 shillings was left to a very high duty above which price it dropped to 6 pence. In the 18 years from 1773 to 1790 the average price was 46 shillings 6 pence. During this period and during the earlier part of the eighteenth century the miners and the workers in other industries had taken an interest in this subject from another point of view. Their wages were not high, and when taxation or bounties on export were used to put the price of corn beyond the reach of their pockets they resorted to force and took corn out of the mills or granaries, or off the wagons in which it was being conveyed to the ports for shipment. Corn riots were frequent, a feature of social life with which we have become unfamiliar, and an element in our history which most of us forget. People contemporary with the disturbances were not allowed to forget them.

In 1790 the situation was carefully reviewed by a Committee of the Privy Council which issued a report; such a body was possibly the least accessible to any passing influence, and the most representative of long established views. After describing the provisions of the 1773 Act they say:

"It is the opinion of the legislature that between 44/- and 48/- is the medium price at which wheat ought to be sold in the markets of this country, for the encouragement of the farmer on the one hand, and the comfortable subsistence of the people on the other. It has been remarked by attentive observers that in manufacturing towns there is more regularity of conduct, and more productive industry, when corn is not at a price unusually low, but the position of the country labourer certainly requires that the price of it should be low, that he may be enabled by his wages to purchase what is necessary for his subsistence. As soon as the price of wheat passes 48/- the legislature have thought it their duty to attend to the

necessities of the poor, and to encourage the importation of foreign wheat by allowing it to be imported at very low duties."

This view of their position as a paternal one came naturally to those men. They assumed the right to regulate the food supply of the people, to give them food at the price which seemed good to them, and thus largely to control their conduct and their lives. They used the legislature for this purpose, thus putting into operation a form of socialism, the same in its nature, but different in its object, from what is known as socialism in modern times. If tradition and every other circumstance is considered, the policy of the Privy Councillors and the legislators may be regarded as reasonable. They were maintaining a system which had its origin in comparatively primitive conditions when views on politics and on economics were inevitably not of a highly enlightened kind. It is difficult to say what the value of money was in 1773 compared with what it is now, but on good authority we may be justified in assuming that there is little difference. The price of 48 shillings a quarter does not seem extravagant except in relation to wages, and above all to wages of farm workers. Statisticians say that these wages in 1770 were 7 shillings a week. The contrast shocks us until we remember that farm workers and even people above that station in life were not expected to have the privilege of eating bread made from wheat. Every kind of inferior cereal was considered good enough to take its place in their diet. Our own experience during the later stages of the war would give us an idea of what they had to use as bread. Men of a past generation in Scotland, shepherds and ploughmen, born from 1810 to 1820, used to tell us that during their youth their porridge was made of maize meal instead of oatmeal, and that they loathed it. For a vast number, if not for the majority of people in Scotland in the early part of the nineteenth century, bread made from wheat was a rare article of food.

The Committee of the Privy Council resolved to apply a few more turns to the screw by which they hoped to raise prices and rents. On its recommendation a new law was passed in 1791 prohibiting the importation of wheat when the price was 50 shillings or under, and imposing a duty of 2 shillings 6 pence when it was between 50 shillings and 54 shillings.

There were reasons for the careful and thorough defence of their policy which the Committee made. There were many things

against them. They had their eye on the manufacturing and mining population—those independent sections of the community who had their own ideas about this machinery for making the amount and kind of bread which they were to eat depend on the dispensation of their rulers. The country labourer with his small wage was on the conscience of the Committee. Outside these, there was for their policy a more insidious danger. In the minds of people in every class who read and discussed such questions the idea had taken root that free trade between one country and another was a better system than one of arbitrary restrictions and regulations. The idea had found expression in different forms of literature—in an occasional essay by Addison, more clearly and fully in essays by Hume, and most fully in Adam Smith.

The French war of 1793 came to postpone the conflict between the established policy and these gathering forces which were ultimately to overthrow it. The war did more for the agricultural party than all the Corn Laws which had been passed. It restricted imports and sent up prices and rents beyond any point which they had ever reached. It brought under the plough, and under corn, land which had never been considered suitable for the purpose. The enjoyment of increased rents had been an agreeable experience for the landlords, and in 1814, with the end of the war, the prospect of reduced prices and rents was disquieting. Holding the views which they held in 1790 the legislators embodied their policy in the Corn Law of 1815, a law with which most people are familiar. Inflation of the currency had altered the value of money. The importation of corn, except into warehouses at the ports, was prohibited until it reached 80 shillings a quarter. It was a high price, but its extravagance may be attributed to the experience of the excessive prices of the war years. A few individuals may, but no class of people will readily forego privileges of so substantial a nature. Free traders, and there was a robust minority of them, offered strong opposition to the measure. In the House of Lords 77 peers voted against the bill. Lord King, one of the most robust and untiring, said on the passing of the bill:

"It requires on the most moderate calculation somewhere about a quarter of a century to overturn a bad system wherever the private interests of powerful classes are concerned."

He underestimated by a few years the time necessary to test the merits of the policy and to accomplish its downfall.

Whether the war hastened or delayed the final and decisive struggle between the agricultural party and their opponents is hard to say. The violent fluctuations which are an invariable consequence of extremely high prices are a feature of protection which, after sufficient experience, appeals to no one. The utter inadequacy of the 1815 Act was soon made clear. There was a serious fall in the price of wheat in that year in spite of its ambitious aims and promise. At the beginning of 1816 the Board of Agriculture took alarm, and in February issued a circular letter and a list of questions to landowners and farmers asking them to obtain information about the condition of agriculture in the country. Replies were sent by 326 people, and their substance was published in a report entitled "The Agricultural State of the Kingdom." The report says:

"By far the greater number of the letters enter into considerable details on the circumstances which denote the present deplorable state of the National Agriculture. Bankruptcies, seizures, executions, imprisonments, and farmers become parish paupers, are particularly mentioned by many of the correspondents; with great arrears of rent, and in many cases, tithes and poor-rates unpaid; improvements of every kind generally discontinued; live-stock greatly lessened; tradesmen's bills unpaid; and alarming gangs of poachers and other depredators. These circumstances are generally expressed in language denoting extreme distress, and absolute ruin in a variety of instances."

The description of the situation in the country generally may be supplemented by an account of how this part of Devon fared. The report for the Totnes district was written by a Mr. Taylor, a landowner in the neighbourhood.

"The spirit of agriculture," he says, "which so lately flourished in this county seems to be extinct. The farmers are poor and disheartened. Husbandry is become slovenly, proper manure is not used, and in case the next harvest should prove indifferent, scarcity will ensue. The great enclosures taken from moors and commons, are quietly resigned to their ancient possessors, the heath and furze: and the vast sums expended improvidently, in subjecting lands of very indifferent quality to cultivation, are lost forever. Our present distress is greatest on arable; but the graziers suffered much loss in the two last years, having bought cattle high in March, 1814, and sold them fat for less than the price they cost: they

again gave large prices on the prospect of war last spring, but the war was terminated before the cattle were fat.

"The state of the labouring poor is very bad. The farmers can neither employ nor pay them, and they are thrown upon their parishes. . . . The poor-rates are the greatest of our evils. . . . In Totnes they were in

1753 .....	£ 295.	0.	7.
1771 .....	439.	13.	7.
1813 .....	2004.	17.	5.
1815 .....	2630.	15.	9."

The drop in prices to 74 shillings 4 pence in 1814 and to 65 shillings 7 pence in 1815, and the bad season in 1816 reduced the area under wheat. This in turn led to a shortage in 1817, 1818, and 1819, when the average price went up to 96 shillings 11 pence, 83 shillings 3 pence, and 74 shillings 6 pence. These high prices again lead to an extension of the area under wheat and to increased production which brought the prices down in 1821, 1822, and 1823 to 56 shillings 1 pence, 44 shillings 7 pence, and 53 shillings 4 pence. Select committees were appointed in 1820, 1821, and 1822 to consider and report on the crisis. The evidence showed a situation as disastrous as that of 1816. Arrears of rent, bankruptcies and vacant farms were widespread. The report of the 1821 committee, written by Mr. Huskisson, pointed to what they considered the defect in the Corn Law. "This system," it said, "is certainly liable to sudden alterations of which the effect may be at one time to reduce prices, already low, lower than they would probably have been under a state of free trade; and at another, unnecessarily to enhance prices already high—to aggravate the evils of scarcity, and to render more severe the depression of prices from abundance. It deceives the grower with the false hope of monopoly."

The report went further, and entirely threw over the principle of protection, suggesting that agriculture should look for the basis of its prosperity to the expansion of the other industries of the country rather than to the regulation of imports by taxes.

Prices improved a little in 1824 and subsequent years, but the 1815 law was not doing what was expected of it. In 1828 a sliding scale of duties was introduced and passed. Under this the duties varied from 38 shillings 8 pence per quarter when wheat was at

55 shillings, to one shilling per quarter when it was at 73 shillings. But they again failed to accomplish their object. Agricultural prices went through the cycle once more. When they fell, the area under wheat had been reduced, supplies grew short, and prices rose. In response to this the area was again increased, supplies increased, and in 1833, 1834, and 1835 the prices were 52 shillings 11 pence, 46 shillings 2 pence, and 39 shillings 4 pence.

In 1836 the last Select Committees were appointed, one by the Lords and one by the Commons. Similar tales of distress were told about the condition of agriculture all over England and Wales. A different kind of evidence came from Scotland. There the landlords and farmers had agreed to receive and pay rents based on the prices of corn. If prices rose, rents rose, and if prices fell, rents fell. This had given satisfaction to both parties, and the farmers were prosperous and farming their land well. If the farmers in the East of Scotland had ever been in favour of protection their views had changed. They were able to look beyond their own narrow and apparent interest to the position of others, as well as their own position, in a system of division of labour. A Mr. William Bell of Berwickshire, a large farmer, was asked bluntly about his attitude and he replied without ambiguity:

"If," he was asked, "by any legislative measure it be possible to uphold the prices in order to assist the farmer, would you say that would be desirable?"

"I think," he replied, "it would be a most improper thing to do. It would oppress the consumer to relieve the farmer."

Neither committee issued a report, the reason assumed being that the reports were unfavorable to the Corn Law. The view of those Scotch farmers was spreading among English landlords and farmers. Lord Fitzwilliam, a large landowner, devoted much of his time to the education of his fellow landowners, both before and after he came into his estates. Between 1831 and 1839 he addressed to them three well reasoned essays on the Corn Laws. Some of the soundest work on trade and on economics in general was done by those amateur economists, many of them men of leisure, who pursued truth for the sake of the pursuit. They observed and studied the economic system of their country and of the world with the eyes of practical men, and they expressed the result of their studies without resort to a vocabulary above the heads of ordinary people. However disinterested their attitude was, the

stress of the controversy in which they engaged compelled them to be both penetrating and circumspect in their investigations. To this pressure we probably owe in part the depth and breadth of their research.

While this insidious sapping work was going on, and while the Corn Laws had shaken the faith of their adherents by the manner in which they had betrayed them by allowing prices to fall so far and so often below what they had promised, the open opponents of the laws were growing stronger in numbers and in purpose. In 1801, when home grown wheat in a bad season was insufficient for their needs, the population of Great Britain was 10,578,956. In 1841 it had risen to 18,658,322. They were men of enterprising, tough and determined character who were leading the developing industries in which this growing population was engaged. A good many were farmers' sons, and some, like Sir Thomas Potter, Mayor of Manchester in 1838 who left his Yorkshire farm at 28 years old, had begun life as farmers. They were typical Britons. They had a good look at this system which interfered with trade and the division of labour, and which was designed to make bread relatively scarce and relatively dear. They did not like it, and the longer they looked the less they liked it. Spasmodically in different centres in England and Scotland they came together to take organized action for the repeal of the Corn Law. The Anti-Corn Law League was formed in Manchester in 1839, and it finished its work in 1846. The leaders of the League adopted the method of hard, slogging arguments presented to people at large, on platforms and in the press, and to the politicians, especially to the supporters of the law, in Parliament. They were more aggressive and harder hitters than the Free Trade landowners. They challenged the agricultural party on its own ground and in five or six years they undermined its position. George Hope, of Fenton Barns, East Lothian, one of the best farmers in the country, won their prize for his essay against the Corn Law. The leaders of the Conservative Government elected in 1841 to maintain the law were won over to the view that it was indefensible, and they themselves repealed it.

The part he played in this action put an end to the political career of Sir Robert Peel. His followers of the agricultural party never forgave him. They joined hands with Disraeli and other pure politicians who were waiting for such an opportunity to make

their way to power. Peel had transferred his allegiance from protection to free trade and he could expect nothing else. The conduct of this political conflict between the agricultural party and its opponents was creditable enough to both. On the side of the free traders it was a reasoned attack on an old established system supported by strong prejudice. Passion was kept under restraint. They received the support of Englishmen and Scotsmen, men too proud to brook any interference with their liberties in the interests of a privileged class, and of Englishmen and Scotsmen who, when they saw that their privileges were inconsistent with the interests of their country, betrayed the former for the sake of the latter.

The hardened protectionists remained. In February, 1850, when Disraeli brought forward a motion in the House of Commons on agricultural distress, Sir James Graham rose to speak for the first time since the repeal of the Corn Laws. He had been chiefly responsible, along with Peel, for this step. The protectionists resorted to a noisy demonstration to prevent him speaking. When he was allowed to proceed he said:

"Honourable members stated that we had been false to the interests to which we were pledged. There were, I say, painful allusions to that time; yet it cannot be forgotten that I at least am identified in feeling, in habit, in prejudice, in strong prepossession, and in personal interest, with the landed gentry, and if, from a sense of public duty, I should have inflicted an injury in any degree on that interest, you have the consolation of knowing that in doing so I have sacrificed my own. Under these circumstances I trust I may obtain a patient, if not a favourable, hearing."

The same kind of statement had been made by Lord Spencer nearly ten years before. Although such men had served agriculture well as landlords and as pioneers in new experiments for the benefit of the industry, the protectionists could not forgive them for what they regarded as treachery. Lord Spencer had been one of the most active spirits in founding the Royal Agricultural Society, but they wished to depose him from his position as president because of his attitude on free trade.

From whatever causes it rises—and there are several—it is a feature of British political life that Englishmen and Scotsmen, however much they appear to benefit from the arrangement, cannot be trusted to uphold sectional interest against a national interest. They can always be made to see that the part is less

important than the whole. They will betray the sectional interest when it seems to clash with the national interest. They feel instinctively an anomalous and incongruous situation before they discover the definite basis on which it rests. The division of labour is a system of which they have taken advantage. It has led to an increase in the production of wealth which approaches the miraculous. They do not see the use of building ships and railways, and generally developing the means of transport to the fullest extent with the object of facilitating trade between the most successful producers of different commodities, and then setting up tariffs and tariff gatherers and a hundred arrangements hostile to the division of labour and to trade.

Men and women and capital have gone from the British Islands to develop agriculture in the British Dominions and in other new countries. Britons and British capital were pioneers in developing agriculture in the United States. Britons and British capital have played a prominent part in developing the agriculture, but more particularly the railways and transport service, of South America. Britain sent out those people and that capital to compete with the people and capital engaged in agriculture at home, and her repeatedly declared policy is that agriculturists and agricultural capital at home should compete with the same classes and the same capital in those countries and in foreign countries, as men compete in a cricket match.

With every right the protectionist party in this country has not accepted that policy. They have challenged it at every opportunity. The late war gave them a new chance. It produced the conditions which they always imagine protection would produce—a shortage of essential foodstuffs which sent up prices. It was then comparatively easy to make money. This experience roused anew the ambition to use the legislative machine to make a modification of conditions permanent. Farmers have pressed governments to give them the first pull on the purchasing power of the consumers, but even the suspicion that a government was inclined to favour the demand was sufficient to secure its defeat. There will always be protectionists, but experience since the war has made it less likely that any political party will ever be protectionist. During the last 26 years a serious and persistent attempt has been made to convert the country from the attitude which it adopted so emphatically in 1846, but it has been entirely unsuccessful. The country

will allow relief to agriculture from certain burdens borne by the rest of the country; it will agree to subsidies on a limited scale; it will encourage cooperative marketing between different parts of the Empire, but it is doubtful if it will stand any control or restriction which will make it in the slightest way difficult to buy the best article wherever it is produced.

The British people do not like the legislative machine to be used by any class to make money. They will not tolerate what the people of the United States and of the British Dominions tolerate in this respect. On May 7 of this year the correspondent of *The Times* in Washington telegraphed that the new tariff bill had made its appearance in the House of Representatives that day. He said: "The farmers are preparing to make violent protests against what they consider the inadequate protection given them; the manufacturers will follow suit. There is in prospect a congressional debate on the tariff which will be as bitterly and as selfishly conducted as any in the long history of such debates. . . . The bill practically doubles the existing rates on beef imports and imposes an increase of three cents per pound on raw wool imports. While no change is recommended in the rate on oats, wheat, rye and flour, an increase of from 15 to 25 cents a bushel on maize is recommended. No change is suggested in the tariff on live cattle, cherries or fish."

There is a large number of people in this country who would like to attempt all that the Americans are doing, but the majority will not allow it. The political clash, therefore, between the protectionist party who claim to speak for agriculture, and the larger section of the community opposed to them, has resulted in a victory for the latter. This decision has given rise to what may be called an economic clash between British agriculture and the agriculture of the Dominions and of foreign countries. This clash is nothing more than free competition. British men and capital were the pioneers of agriculture in the United States. British capital developed Argentine railways and Russian railways. I know a large wheat-growing farmer in England who before the war had a handsome sum of money invested in Russian railways to bring Russian wheat part of the way to the British market, and English landowners have large sums of money invested in Dominion agriculture. Wheat, wool, mutton, beef, cheese, butter and even hay, which

compete keenly in our market, are produced largely by Britons and British capital outside this country. We are sending emigrants and capital today into Dominion agriculture, and, recognising the principle of the division of labour, this country still says that the only thing to do is for our agriculturists to compete with agriculturists all round as men compete in a cricket match. Sir John Russell made a journey through Australasia some months ago. He has told us that Australasian farmers are not having too easy a time, and that a good many are leaving agriculture. We know that the Argentine farmers have had a very sorry time since 1921, that the American farmers have been as hard hit as any in spite of tariffs, and that a big percentage of them have abandoned agriculture.

It is probably unsafe to prophesy in this matter, as in others, but confining ourselves to history, the result of the general election three months ago makes it clear that both political and economic clashes are very firmly fixed in this country. Advocates of protection will persist as they have persisted since 1846. Adherents of free trade will persist, and the existence of the two makes the political clash inevitable.

#### DISCUSSION OF MR. ORR'S PAPER

Dr. Taylor.—The general impression received from Mr. Orr's paper is that the United States is 100 years behind Great Britain in relation to the relative development of manufacturing and agriculture. The agriculture of the United States is still on an export basis and our manufactures largely on a home market basis. The situation in the United States corresponds to an earlier stage in Great Britain than the days of the Corn Laws, for then the agricultural staples of Great Britain were on an import basis. Looking ahead, one anticipates that more manufacturers in the United States will be on an export basis. They are international pioneers rapidly approaching the stage where they may want to be on a free trade basis.

You can see from English history what will happen to tariffs on agricultural products when manufacturers want free trade. In the first half of the nineteenth century it appears that the national policy of Great Britain favored high prices for farm products without adequate regard for the welfare of consumers. In later years, the policy seemed to favor cheap food and raw material without due regard for the farmers. In the United States at the present time, it also happens that among the more radical leaders of the farmer group there are those who are perfectly willing to fix prices without consideration for the consumer if any way of doing it can be devised.

What we need in the United States is a better understanding of tariff history and a realization of the fact that England arrived at the stage we are now in with respect to the relation of production and home demand, more than one hundred years ago—making English economic history peculiarly valuable to our students.

Professor Ashby.—The conflict between agriculture and industry in the first half of the 19th century, like Irish history, is "something for Englishmen to remember and Irishmen to forget." It was believed that the principles lying behind the laissez faire attitude were eternal and ultimate. They are nothing of the kind. In studying the economic history of the world you cannot find a period except that from 1850 to 1880 in which it was ever suggested that society should allow individuals to pursue selfish economic interests without regard to the welfare of society at large. I believe in the economic truth of the law of comparative costs; that the economic development of the world should follow the line of distributing production to those areas where greatest advantages can be secured. One can be a non-tariffist and still have great questions to ask of the laissez faire idea. We are not prepared to say that comparative costs should work out blindly without any relation to the interests of persons who may suffer in that process.

In this period of history (Corn Laws) you must not look at tariffs on corn alone. From 1800 to 1825 over 1,000 articles were subject to tariffs and excise duties. Men were taxed from the cradle to the grave. The essential factor in this conflict was that whilst the country was going through the process of development industrially there was an ever increasing demand for food which was met in some years and not in others. The great contrast in prices from one year to another reveals this fact. Part of the point of the struggle was to determine whether occasional imports should be turned into regular imports, or whether the possibility of occasional exports could be turned into a condition of permanent self support. The present position in the United States is not like that of Great Britain during the period 1800-1840. While the United States is nearly on a self-supporting basis, she has a continent to work on, while we had only a small island. The United States has cotton while we had to import cotton and some wool, as well as other raw materials. When the United States tariff struggle comes it may be on meat because that is nearest the balancing point. The most important thing to watch is the food commodity which begins to show regularly and continuous imports.

Sir Thomas Middleton.—There are some observations which seem to me to be called for on the clash between agriculture and industry. In one sense there is no clash of interests. Nothing, for example, would do more for the improvement of agricultural conditions at the present time than a revival of our industries and an increase in the purchasing power of the working population. But regarding the subject, as Mr. Orr has done, over a long period of years, there are evidences of a clash of interests, and I am not altogether in agreement with Mr. Orr in his presentation of the subject. Looking in the first place at the situation from

1870 onwards, I think that it might be argued that the depression experienced by agriculture was in some degree due to the success of industry. The farmers' bad fortune was not independent of the industrialists' good fortune. The opening up of western lands and the development of steam shipping were, of course, responsible for bringing competing foodstuffs into our markets, but the low prices at which they exchanged for industrial products were partly due to the skill and efficiency of our industrial population.

Going back to the earlier period and the fight for free trade which Mr. Orr has described, I think the clash between the interests of agriculture and the true interests of industry was less pronounced than he suggests. From about 1820 onwards the case for the repeal of the Corn Laws became increasingly clear, and if Huskisson had not died as the result of an accident in 1830, the repeal might have come before it was "rained away" in 1846 by the weather that caused the Irish famine. But until the close of the Napoleonic War the position was by no means clear, and in criticizing the men responsible for the policy at the end of the 18th century, it should not be assumed that it was the self-interest of the agriculturist that alone caused the difficulties of the industrial classes. Mr. Orr has quoted at some length from a report issued in 1817. I agree that this report gives a deplorable account of the country. Some former owner of my own copy of this book has written on the title page "Commonly called the Bazaar of Misery." But if Mr. Orr refers again to that report, he will find, I think, that much of the misery described there was due to monetary causes—inflation during the war followed by sudden deflation, especially the sudden contraction of credit by the Bank of England. This experience supplies one clue to the policy of the late 18th century; what the statesman of that time had in view, was the subject so much discussed in recent years, namely, stabilization of prices. Situated as the country was in the period 1790-1800, with, as Professor Ashby has already pointed out, a sufficiency of grain in normal seasons, the choice lay between a policy tending to increase home production and one which would have the contrary effect. It is even now uncertain whether the policy followed until after the cessation of war was a mistaken one, and in criticizing this policy, while agreeing that it favoured agriculture, it is not necessary to assume that those who framed it were unmindful of the welfare of the nation. After Waterloo the trend of events was such that, looking back on them, we can appreciate the wisdom of those who worked for free trade, and we must admit that the interests of industry and agriculture did clash; before that time it is very doubtful if any clash existed.

Professor Weaver.—What would have been the influence on the present position of England if the opposite policy in regard to protection or free trade had been followed in the period under discussion? Looking ahead to the long time effect and the building up of nations, to what extent would the situation have been different?

Mr. Orr.—These struggles were great parliamentary fights. I make the claim for England, that she has done her political fighting better than

any other country. We know how to fight by reason better than any other people on the face of the earth. Instead of resorting to revolutions we can settle questions by prolonged, yet reasonable controversy.

Suppose Britain had decided to limit her population to approximately what she could feed: that would mean agriculture would have been placed as the predominant interest in the country—her other industrial and trading resources would have been unexploited. If we had taken this line and made agriculture supreme we should have been a little country like Denmark. Consider the developments which have followed—the increase of shipping and enormous development of our trade. It is impossible to depict or even outline the vast structure which makes this small country such a powerful nation in world economy.