

particular tariff, in the short run—which is all practical people ever care about—will benefit a particular industry. This industry is relatively small, usually well organized, acutely conscious of its possible gains, and vocal. The tariff will injure all the rest of us. But everybody is nobody. The rest of us are diffuse, unorganized, unconscious of our common interest, and silent. It is small wonder that we are so little regarded.”\*

Why is it, then, that tariffs persist? Is it because they are a political issue? Is it because the imposing of tariffs is subject to pressure-group action by strong minorities? Or is it, perhaps, because we who are most affected by tariffs do not understand them and thus do not look after our own interests?

### Tariffs and Political Parties

There can be no doubt that at times tariffs have been associated with politics. At one time, the question of tariffs was considered to be the major point of difference between the two great political parties of this nation. One was called the “high tariff” party and the other the “low tariff” party. But today if you were to ask the younger voters of the nation which party was which, it is doubtful whether many could answer correctly.

In economic problems as well as in all others, truth—once it is widely recognized—will prevail. And once

\*Kenneth E. Boulding, *Economic Analysis* (New York: Harper & Brothers, 1941), p. 347.

there is sufficient understanding of tariffs, this restriction to trade will be eliminated.

Let us approach the study of tariffs with the assumption that protectionists have a sincere belief in tariffs, not simply a selfish interest. As Bastiat said: “The doctrine of protection is too popular not to be sincere.” If this be true—and I believe it is for the most part—then a convincing explanation of the fallacy of the tariff idea will permanently remove that particular restriction against trade.

In preparation for a consideration of the tariff problem, let us discuss seven basic assumptions to which practically everyone will agree. It may seem unnecessary to do this since these assumptions are so generally accepted; but the advocates of tariffs, while perhaps agreeing to these assumptions, often violate them in their defense of tariffs and other trade restrictions.

### 1. The Right to Own Property

Ask any cross section of people in this country if they believe in an individual's right to own property, and an overwhelming majority will say: “Why, of course!” This belief is so commonly accepted as a part of our way of life that it is seldom questioned. Yet in actual practice, the principle underlying the belief is constantly violated.

The free exchange of goods and services between individuals depends on the idea that a person has the right to own property. If a person has the right to own