when I can get twenty parcels which have come from Manchester?' 'Certainly; don't you see that France would be a loser if you received twenty parcels instead of fifteen?' 'I am at a loss to understand you,' said the vine-dresser. 'And I am at a loss to explain it,' rejoined the Customhouse official; 'but the thing is certain, for all our deputies, ministers, and journalists agree in this, that the more a nation receives in exchange for a given quantity of its products, the more it is impoverished.' The peasant found it necessary to conclude a bargain with the Belgian. The daughter of the peasant got only three-quarters of her trousseau; and these simple people are still asking themselves how it happens that one is ruined by receiving four instead of three; and why a person is richer with three dozens of towels than with four dozens."

Tariffs and Infant Industries

Another argument for tariffs is that new industries cannot survive if they must compete with firmly established industries in other countries—"Give them a chance to get established, and then they can compete."

History has shown that protection in the form of tariffs imposed for this reason is difficult, if not impossible, to throw off. The protected infant never grows up to attain self-responsibility. And little wonder! In any industry, protected or not, there are firms which are barely able to stay in business—even though other firms in the same industry are operated profitably. If the crutch of

tariffs is removed, these marginal producers must either improve their efficiency or go out of business. If they can do the former, why didn't they do it before the crutch was removed?

Who is to say that a prospective new industry will eventually become a successful one? Government officials?—or businessmen who know something about the industry? Businessmen are accustomed to taking risks; and the capital will be found to finance a business through its formative years if its prospects appear promising enough.

Confusion of Means and Ends

Those who use the infant-industry argument appear to place emphasis on the virtue of industry, as such, rather than on the goods produced. They seem to be confusing means and ends. We must not lose sight of the fact that *consumption is the sole end and purpose of all production.*

Business firms are constantly experimenting with new products and new methods of production. Some are successful; many are failures. What reason is there to ask a government employee to substitute his judgment, backed by the taxpayer's money, for the producer's judgment, backed by his own money?

Is an "infant industry" any different in principle from a new firm coming into a field already established? Suppose a new firm is formed to produce automobiles. "Give it a chance to get established and then it can