lasting till i860; second, of liberal legislation, from i860 to 1881; third, of reversion to protection after 1881.

(1) During the first period the prohibitive legislation of the 18th century was retained, largely in consequence of the Napo­leonic wars. The commercial treaty of 1786 between Great Britain and France has already been referred to as making a breach in the restrictive system of the 18th century; and in the early years of the French Revolution a similar wave of liberal policy is to be seen. But the great wars led to the complete prohibition of the importation of manufactures, reaching its climax in Napoleon’s Continental system. The system of pro­hibition thus instituted, while aimed at Great Britain, was made general in its terms. Hence the importation into France of virtually all manufactured articles from foreign countries was completely interdicted; and such was the legislation in force when peace came in 1815. This system doubtless was not ex­pected to last after the wars had ceased, but, as it happened, it did last until i860. Successive governments in France made endeavours to break with the prohibitive system, but naturally met with strong opposition from the manufacturing interests, not prepared to meet the competition of Great Britain, whose industries had made, and were continually making, rapid strides. The political position of the governments of the Restoration and of Louis Philippe was such that they were unwilling to forfeit support by pushing measures in which, after all, they were not themselves deeply interested.

(2) It was not until Napoleon III. believed it to be to his political advantage to strengthen friendly relations with Great

Britain by the moderation of the import duties that the change was finally made; while the despotic character of his government enabled him, when once the new policy was entered on, to bring about a radical change. After some secret negotiations, in which the English Corn Law agitator, Cobden, and the French economist, Cherbuliez, took an active part, Napoleon was persuaded to enter on the famous commercial treaty of i860, and virtually to force its acceptance by the French legislature. In the treaty as finally framed duties on most manufactured commodities were reduced to a range of 10 or 15 per cent., some iron manufactures, however, being left at slightly higher rates. Before the treaty, all woollen and cotton manufactures, all manufactures of leather, of hardware, pottery, all glass ware, had been prohibited, while raw materials and such manufactures as were not prohibited had been sub­jected to heavy duties. The treaty thus made a radical change, revolutionizing the tariff system of France. It did so with rela­tion not only to the United Kingdom, but, in its after effects, to the world at large. The French government at once set to work to enter into similar arrangements with other countries, and treaties were successively concluded in 1860-66 with Belgium, with the Zollverein (Germany), Italy, Switzerland, Sweden and Norway, Holland, Spain, Austria. All these countries made reductions of duty on French products, while France admitted other products at the rates of the British treaty tariff. Thus a network of treaties was spread over Europe, leading to much great freedom of trade and opening an era of freer international exchange.

(3) This more liberal policy, however, probably never had deep root in French public opinion. It received a check from

the Franco-German War of 1870-71. The treaty of Frankfort in 1871 contained, in place of the previous detailed commercial treaty with Germany, the simple “ most favoured nation ” proviso. The guarantee which each country thus gave to the other of treatment as favourable as that given elsewhere became irksome to France, sore after her defeat in the war. More important, however, in undermining the liberal system, was the change in agricultural conditions which began to set in in the decade of 1878-88. Then the great improvements in transportation caused compe­tition in agricultural products to be felt, especially from the United States. Agricultural prices declined; agricultural de­pression set in. The agricultural interest in France, hitherto indifferent about duties, now began to demand protection against competition from beyond the sea. To this factor was added the revival of national feeling and prejudice, with grow­ing political complications and jealousies. Hence, by gradual steps, the customs policy of France has become more and more strongly restrictive. The first important step was taken in 1881, when a new general tariff was established, in which specific duties replaced the *ad valorem* duties chiefly applied in the treaty tariffs of 1860-66. The new rates were supposed to be no more than equivalent to those replaced by them, but in fact were in some cases higher. New treaty tariffs, less liberal than the earlier ones, were concluded with Belgium. Switzerland and Spain; while with other countries *(e.g.* Great Britain) a “ most favoured nation ” arrangement was substituted for the previous treaty régime. These new treaty arrangements expired in 1892: even before that date, duties had been raised on grain and meats; and finally, in 1892, a new and more highly protective general tariff was established on the recommendation of Μ. Méline, with high duties on agricultural products and raw materials as well as on manu­factures, and with provisions for limited domestic bounties on silk, hemp and flax. Nevertheless, some provision was made for negotiations with foreign countries by establishing a mini­mum tariff, with rates lower than those of the general or maximum tariff, the rates of this minimum tariff being appli­cable to countries which might make concessions to France. As a rule the minimum tariff has been applied, after negotia­tion, and thus is the tariff in practical effect; yet its rates are still high, and, most significant of all, agricultural products are granted no reductions whatever as compared with the maxi­mum tariff, there being heavy and unrelaxed duties upon grain, animals, meats and the like.

*Germany.*—The tariff history of Germany, up to the founda­tion of the German Empire, is the history of the Zollverein or German customs union; and this in turn is closely connected with the tariff history of Prussia. In 1818 Prussia adopted a tariff with much reduced duties, under the influence of the Liberal statesmen then still powerful in the Prussian government. The excitement and opposition in Germany to the Prussian tariff led to customs legislation by the other German states, some smaller states joining Prussia, while the southern states endeavoured to form independent customs unions. Finally, by gradual steps be­tween 1831 and 1834, the complete Zollverein was formed, notwithstanding popular opposition. All the German states formed a customs union, with free trade between them, except so far as differing internal taxes in the several states made some modifications necessary. The customs revenue was divided among the several states in proportion to population. The tariff of the Zollverein was, in essentials, the Prussian tariff of 1818, and was moderate as compared with most of the separate tariffs previously existing. Within the Zollverein, after 1834, there was an almost unceasing struggle between the Protec­tionist and Free Trade parties, Prussia supporting in the main a Liberal policy, while the South German states supported a Protectionist policy. The trend of the tariff policy of the Zollverein for some time after 1834 was towards protection; partly because the specific duties of 1818 became proportionately heavier as manufactured commodities fell in price, partly be­cause some actual changes in rates were made in response to the demands of the Protectionist states. In 1853 a treaty between the Zollverein and Austria brought about reciprocal reductions of duty between these two parties. After i860 a change towards a more liberal policy was brought about by the efforts of Prussia, which concluded independently a com­mercial treaty with France, forcing on the other members of the Zollverein the alternative of either parting company with Prussia or of joining her in her relations with France. The second alternative was accepted, largely because Austria did not vigorously support the South German states, and in 1865 the Zollverein as a whole concluded a commercial treaty with France, bringing about im­portant reductions of duty. The regime of comparatively free