

## COMPETITION WITH JAPANESE.

**Their Silver Basis Gives Them an Advantage Tariff Can't Remove.**

From the Portland Oregonian (Gold Rep.).

A short time ago Mr. D. P. Thompson, of Portland, Minister to Turkey under President Harrison, arrived in San Francisco, and in the course of an interview gave his views concerning the development of Japan and the probability of Japanese competition with the United States.

He showed that there had been great improvement in the Japanese empire, and in general his testimony was in line with that of other travelers through that country, who say that the Japanese have exhibited great industrial skill and that the development of manufacturing has been remarkable. He takes the position, however, that our protection against Japanese competition depends entirely upon the maintenance of a tariff. He claims that in the absence of a protective tariff our markets would be invaded. He therefore rejoices in McKinley's election, believing that had Bryan been elected a free-trade policy would be adopted.

Mr. Thompson is right in condemning free trade, but he is wrong in thinking that through the election of Mr. McKinley this country had made sure of protection against Japanese competition. The very contrary is true. The chief danger of competition from Japan grows out of the difference in price between silver and gold. This difference both stimulates manufacturing among the Japanese, where the silver standard prevails, and puts a premium on the importation of Japanese goods into this country, where the gold standard prevails. This stimulus to imports from Japan is stronger than any tariff wall that could be erected. Let us stand by the tariff as firmly as we may, we shall not keep out Japanese manufactured products if we maintain the gold standard.

This is the old question presented by competition of the Orient with the Occident. It is the competition of countries working under a silver standard with countries working under a gold standard. There is danger in it to the producing classes of the Occident, and danger also to Occidental civilizations. Power and dominion follow industry, and if in the future the Orient shall prevail in the industries of the world, it will prevail also in politics and civilization. This is the yellow specter which Republicans during the late campaign ridiculed, but which will not down. It will come to haunt the manufacturing nations of the Western world until at last it forces them to abandon the gold standard and thereby restore parity between the two money metals. Unless this parity is restored there will be a premium on Oriental industry to the depression and maybe the ruin of the industries of the West.