

course to up-to-date methods, adopt a new "modus operandi" to keep up with the needs of the day, and this with the aim of governing the country for the greatest welfare of the majority.

An arbitrary deed committed years ago, threw nations into disastrous conflicts. Two plenipotentiaries thrown out of a window was the cause of the thirty years war, and England unsheathed the sword against Spain because some Iberians took a fancy to cut off the ears of the captain of a sea trading vessel. Things have changed since then. Countries, to-day, are more sensitive to the attacks launched against their foreign trade than to the affronts which caused great conflicts in the past. Turning to more contemporary times, let us note that one of the causes of the Great War was the promulgation of a tariff on hogs. And what is happening now? Are not the South American republics and Europe leagued together in unanimous protest against the new tariff of the United States.

It is useless, sir to suppose for an instant the withdrawal of Canada from the economic world. It would be idle works to maintain that we could escape from the changes which have taken place everywhere. It would be but vain boasting, to say that our country could prosper, without adapting our economic life to those conditions forced upon us by an almost general confusion of international affairs.

By its resolution of September, 24, 1925, the Council of the League of Nations asserted its conviction "that economic peace will greatly contribute to maintaining the security of nations". The desire of all good Canadians is that this peace may come as soon as possible to promote the healthy state of the economic world and the conditions which would help the expansion of civilization. Any national policy which is narrow in its outlook is detrimental, not only to the nations which endorse it, but also to the others as a whole. The economic conference has further noted, that the after-war experience prove that the prohibition of imports and exports, arbitrary regimes, disguised discriminations which result, sudden changes in customs duties and the high tariffs prevailing in many countries have fatal results on production and trade.

The United States are, at present, passing through a crisis of upward revision of their customs duties. Certain countries have been fretful of this recourse to autarchy by the United States in order to make sure of their economic independence. It is the Argentine Republic, the country of the teachings of Garvo and Calvo, that voices the most serious

threats of tariff retaliation and boycotting of United States products. The New York World on February 24, 1930, published the following articles.

Antagonizing a Neighbour

Offhand it may seem a small matter to most American protectionists that Argentina is seriously disturbed and offended by the impending upward revision of our tariff. The newspaper *La Razon* is interviewing eminent citizens; many of them are declaring for retaliatory measures; the Rural Society representing 4,000 ranch owners, is calling for a boycott on American goods and the purchase of British imports; and a majority of the Agrarian Federation, composed of small farmers, favours increased duties on our farm machinery, automobiles and household appliances. But what of it? Argentina is a remote, thinly populated and imperfectly developed country, isn't it? The population is still under eleven millions, isn't it? It is all very well to talk of the great markets offered by it and by Canada, another country so seriously disturbed by our tariff plans that the Conservatives are talking of a party campaign for high counter duties. But cannot the 120,000,000 American people shape their own economic policy without bothering to consult these minor nations?

This article shows without further comments, that high protection tariff does not receive unanimous approval in the neighbouring republic.

The United States, contend the partisans of its high tariff, must have recourse to this upward revision of customs duties for the following reasons: the dumping of goods coming from countries having a depreciated currency, the desire to maintain old or recently created industries to a certain level. If such a stand was not taken they could not survive, or protect invested capital. They are masters in their own country, and we have nothing to say against this attitude of our neighbouring legislators.

Canada must conclude, sir, that it is indispensable to its security to develop in an ever increasing way the means to support itself. Without going into the respective merits of the theories of free trade and protection, without going back to ponder over the contentions of Gladstone, Blaine, Mills, Cartwright, Carnegie, Lloyd George, Balfour, Chamberlain, Beaverbrook, Baldwin, Scullin, and all the economists whose works embellish the shelves of the library of parliament, may I state that the budget introduced by the hon. Minister of Finance (Mr. Dunning) is a conception of our times and for our epoch. It contains no threats and its subject matter answers to our present wants.