

at present much discussed in many quarters, and which is this: "Is retaliation against a country which imposes protective duties ever justifiable?" In the opinion of the Professor, free trade is in principle "absolutely true." Reciprocity is "a mischievous and utterly indefensible violation of free trade." By reciprocity is meant the imposition of counter-duties from a country which has enacted protective duties "solely for the sake of meeting them blow for blow." If, however, in the opinion of the learned Professor "retaliation," in other words, the imposition of counter-duties, be carried out as "an act of war," and "with the sole object of bringing the duty-imposing country to its senses by making it perceive the injury to trade, and the losses which protection inflicts," it is then a wholly different matter. It then becomes a policy "entirely outside of political economy," and when the statesman replies to the Economist, I have no doubt your theory is quite correct, but, "I am going to war for reasons of which you are not the judge," then the Economist has no reply. In the war of retaliation there are many elements which are not economical, and which must be considered by the statesman. These are stated to be "the temper of the nation attacked, its relations to other countries, the effects which assaults on its trade in one quarter may have on its commercial position in another, the moral effect which the war may have on its people, and the chance of enlightening its mind." If all or any of the above reasons should appear to be valid to a statesman, he would in the opinion of the Professor be justified in adopting a policy which is "economically wrong."

The practical question is whether an administration, the principal members of which are uncompromising free traders, can be induced, by such arguments, to retaliate against France. In the case of the United States, retaliation is scarcely practicable, for the exports from that country to the United Kingdom are either articles of food or raw materials, on which it would be impolitic to impose duties on any pretence. It is different with France. The effect of the new French tariff will be in all probability to check the exports of British manufactures, and thus to throw artisans out of employment. By adopting a policy of retaliation labor may be diverted to those industries in which the French under a free trade policy have excelled the British. We have little expectation, notwithstanding the increasing feeling, in England in favor of a retaliatory policy that the Gladstone Government

will venture even to threaten its adoption, and we cannot help thinking that the French are thoroughly convinced that they can with perfect safety adopt an aggressive policy.

#### INSOLVENCY.

A deputation, headed by Mr. Samuel Morley, M.P., has presented a memorial to Sir John Macdonald, supported by the Liverpool and Manchester Chambers of Commerce, on the subject of bankruptcy. The present state of the law is most injurious to the commercial interests of the Dominion, and is calculated to prevent persons resident at a distance from running any kind of risk. Theoretically an insolvent law is not open to objection. The main principle of such a law is that when a debtor, owing to circumstances, is unable to pay his debts in full, his estate should be fairly divided among his creditors. In carrying out such a law many difficulties have been found, among which the principal have been the cost of liquidating the estate of an insolvent debtor. We were rather surprised to find that Sir John Macdonald referred to some special difficulties arising from the concurrent powers of the Dominion and Provincial Legislatures. He said that he himself had voted for the continuance of the Act of 1875, but there was too strong a feeling against it in the Canadian Parliament. There is really no difficulty whatever arising from concurrent powers. The Dominion Parliament has entire control over the administration of insolvent estates, and if Sir John Macdonald had felt as strong an interest in the Insolvency Bill as he did in the Pacific Railway, he could have carried it with much less difficulty. The truth is that while he himself recognizes the necessity of an insolvency law, his Parliamentary supporters, including some of his own colleagues, are opposed to any law on the subject, and he has been weak enough to shrink from an important part of his duty. An insolvency bill is not one of those measures on which a Government should have no opinion, or, in other words, should permit to be what is termed "an open question." If, as Sir John stated to the delegates, "the facility of discharge" under a measure for which he admits that he voted was "demoralizing the traders of the country," his duty was to have endeavored to frame a bill which would have secured an equitable division of the assets of an insolvent estate without permitting that "facility of discharge" which is so "demoralizing," but which Sir John acknowledges he thought the least of two evils. The truth is, that Sir John Macdon-

ald has up to this time evaded his responsibility on the subject of a bankrupt law, and we must only hope that he is now sincere in his assurance that the Canadian Government is only waiting the result of the legislation of the Imperial Parliament before proposing any bill covering the whole ground.

#### GLUCOSE.

It is probably in some measure due to the articles published from time to time in these columns concerning the manufacture of Glucose that efforts have recently been made to introduce it as a home industry in Canada. In this connection some further particulars as to its manufacture in the neighboring republic may be of interest. In a recent issue of the *Popular Science Monthly* it is stated that on August 1, 1880, ten Glucose factories were in operation in the United States, consuming daily about twenty thousand bushels of corn. Of these the three principal ones are in Buffalo, and have a joint capacity of twelve thousand bushels daily. There are four in Illinois, consuming together daily over five thousand bushels. The three remaining are in St. Louis, Davenport (Iowa) and Brooklyn. At the date mentioned, there were in process of construction throughout the United States nine factories with a total capacity of some twenty-two thousand bushels daily, and new machinery was being added to some of the older factories which would increase their capacity per day nearly five thousand bushels. As it is probable that half of the new factories are now in running order, the total daily consumption of corn for sugar and syrup making cannot be far from thirty-five thousand bushels daily, equal to a consumption of nearly eleven million bushels per annum, and it is claimed that this amount will be doubled in 1882. The amount of capital invested may be ascertained by bearing in mind that each one thousand bushels daily capacity represents on an average about sixty thousand dollars, and the number of hands employed amounts to about sixty for the above capacity. On account of the nature of the process, the mills are run night and day; even on Sunday, work is not entirely suspended.

Among the trade, the word "Glucose" is generally used to designate the thick syrup made from corn starch, while "Grape-Sugar" is applied to the solid product obtained from the same source. With the former, Canadian consumers have become acquainted under the various titles given to the syrups retailed at the