

shipbuilding, whether of wood or iron, be made free, as a means of enabling the United States to take its part in ocean competition. The policy here recommended is sound, but it does not follow that it will be adopted. American bottoms are almost driven from the ocean by a policy which is intended to confer national benefits in every direction. Even the Democratic platform makers do not go to the full length that is necessary, and propose that foreign vessels should be capable of being admitted to American register. This platform favors full reciprocity with Canada, and closer commercial relations with Mexico. Something less than complete reciprocity with Canada would be more easily attainable. When the manufacturers begin to ask for free raw materials, they indicate an intention to measure their strength in a new form with the producers of raw material; and if a breach in the protective policy is to be made, it will be likely to extend farther than this first suggestion would carry it.

AN INTERNATIONAL CONFERENCE.

An International American Congress, in which the north half of North America is not represented, assembled at Washington for the first time on Wednesday. Mr. Blaine was offered and accepted the presidency of the Convention. There were present representatives from Mexico, Brazil, Uruguay, Nicaragua, and Colombia. The members of the conference have accepted the invitation of the President of the United States to be the guests of the Government in an excursion through the Republic. The next meeting being fixed for the 10th November.

In inviting Mexico and the South, and Central American Governments to send representatives to Washington to discuss international trade relations, the United States Congress are following on the lines marked out by the last Republican Administration. At that time a series of treaties with those countries was proposed; some of them had gone through the preliminary stage of negotiation and reached the Senate, where they suffered a silent burial. One of the declared objects of the present Conference is "the adoption of a uniform standard of customs and tariff duties." It is very improbable that this object can be fully attained. It might not be difficult or improbable for these countries to agree upon a system of equivalents, in the form of mutual relaxations of duties on different articles, to suit the different contracting parties. This is what was proposed before, in the unconfirmed Mexican treaty. On some things there might be common duties, on others none at all, but uniform tariffs throughout are out of the question.

In a general conference, it is not likely that any real progress can be made towards indicating the basis of new commercial treaties. The work cannot be done in a wholesale way. There would have to be treaties with each country having separate power to make them. What might suit one would not suit another. The first thing will be to find out whether there be any principle common to the whole which it would be possible to

adopt, or any limited arrangement which all might be willing to accept. The United States would like to get its silver accepted everywhere, on a common basis, and an effort to do so will almost certainly be made. But the number of questions on which common agreement is possible are few, and it is probable there may prove to be none at all. Where the interest in the questions is not common, the conference will probably divide into a number of committees, as is the fashion in the United States Congress, where all legislation may be said to be the work of committees. That it will do so is already indicated. In this way only can any effective work of an international character be done. Each nation can tell what it wants or listen to what the Washington negotiators have to propose. As the conference is called at the invitation of Congress, it may be presumed that the United States representatives will have some specific proposals to make. But this presumption must not be carried too far. Congress is itself divided on the tariff question; the political parties themselves are far from being unanimous on the details. Congress has not authorized the American delegates to propose or accept a given line of defined policy. They are only authorized to find out, or to propose, on general terms, some ground for the erection of uniform tariffs. Suppose such agreement to be made, in general terms, the details would have to be arranged by special negotiation, and the treaties when made would require confirmation by the Senate of the United States. There would be a necessity for a similar confirmation elsewhere. All this would, with the best dispositions on both sides, consume much time. It is doubtful whether the life time of an administration would suffice to complete the work. Obstacles, objections, difficulties are sure to arise and cause delay, and perhaps to make the effort end in nullity.

Canada, though she has no part in the conference, will watch this essay with interest. Her trade with the United States is probably worth more to the Republic than that of all the countries which will be represented in the conference. One object which the United States has in the conference is to push manufactures among her more backward neighbors, and to secure this object by discriminating tariffs. But here the interests of other nations not represented in the conference, secured by the most favored nation clause of existing treaties, comes in. If these remain in force, the existing treaty nations would get the benefit of the new stipulations, or those treaties would have to be abrogated. This is an obstacle in the way of the success of the conference, and of any treaties which it might indicate as desirable. It may be overcome, but in the meantime it stands in the way.

Canada not being possessed of direct treaty-making power, was not invited to co-operate, and it is not necessary to conjecture what answer she might have given if she had been asked, nor is it possible to tell. The motives which would move the Americans to make commercial arrangements with Central and

South America are substantially the same that would induce them to do so with Canada, to open a free market for her manufactures. We shall see what success she will have with these countries, and if arrangements with them be made, how they will work out. It can scarcely be to the interest of any of these countries practically to bind themselves to take only American manufactures; for if they once deprive themselves of the competition among the countries from which they purchase, and give one country a practical monopoly, they in effect agree to take them on the seller's terms. This means dear purchases, which no one will agree to, unless he believes that the bargain ensures him an equivalent. What equivalents will the United States offer? As far as manufactures are concerned, the whole advantage would be on the side of the United States. The latter might take free the raw materials of the other countries, by which means manufactures of the former would receive an undoubted and legitimate propulsion. But at this point the American tariff turns upon itself; for in trying protection all round, there is no room left for freedom. A proposal to admit raw materials free would encounter objections from the American farmer, who is really injured by the tariff, and who would consider himself in danger of being ground between the upper and the nether millstone.

On the whole, the outcome of the Washington International Conference is doubtful. It may lead to some practical results, though the difficulties in the way are many and not small.

BANKRUPTCY ANALYSED.

Why do traders fail?

This question, so often asked, receives varying answers in different countries, different communities, among different individuals. Very interesting replies have been furnished in the recent report of the Inspector-General in Bankruptcy in England and Wales. The failures of 1888 and previous years are compared as under:

Year.	No. of Cases.	Liabilities.	Percentage of Assets to Liabilities.
1888.....	4,826	£ 7,110,948	31.5
1887.....	4,839	8,935,825	29.8
1886.....	4,816	7,913,871	36.1
1885.....	4,333	9,037,789	34.2
1884.....	4,170	13,989,995	28.7

The Inspector proposes to show how far the failures of the United Kingdom, as dealt with in the Bankruptcy Courts, are due to misfortune or to causes against which it is desirable to provide in any scheme of bankruptcy administration, and how far are they due to causes or accompanied by features which it ought to be the object of wise legislation to discourage and repress? To arrive at an answer the Inspector-General takes all of the cases, 26 in number, in which during the past year the debtor was adjudicated bankrupt with liabilities of over £25,000. Commenting upon the developments in these cases, the *Birmingham Journal* finds that "A careful study of them leaves no doubt that only a very small fraction can justly be attributed

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