

facturers of cotton cloth and other goods. Japan has already 1,250,000 spindles busy, and every ship leaving Vancouver, Tacoma, or San Francisco, has a considerable cargo of raw cotton for the cotton mills of Japan, which draw a part of their supply from India and China. As Bombay has already proven a great rival of Manchester, and manufactures the cotton of India into cloth without sending the raw material to England as formerly, so doubtless both Japan and China will by means of cheap labour successfully compete with England in the manufacture of many articles needed by the people of Eastern Asia. But as the rest of the world will continue to need the tea and silk of Eastern Asia, so the higher forms of civilization among the people of those countries will lead to articles of manufacture which only the highly skilled labour of England and America can produce. Africa will for a long time need her cotton cloth, but may not India and Japan sell it cheaper?

The trade of Great Britain is, after all, largest with her own colonies. Since she annihilated the fleets of Spain and France at Trafalgar she has been mistress of the ocean; and Holland, though deprived by England of Ceylon and the Cape, ranks next to her (while far below her) with colonial possessions amounting to an area of 688,000 square miles and a population of 26,841,000. Germany is aspiring of late to be a colonizing nation, and within ten years has annexed several groups of islands in the Pacific, and with England and Holland has appropriated New Guinea with its 300,000 square miles of territory. The English flag flies over 28,326,000 tons of the world's trade. Fully 77 per cent. of the vessels which pass through the Suez Canal carry the British flag.

Possibly much of British commerce may pass from Great Britain to her colonies, in whose railways and other industries the home country has invested nearly four billions of dollars, or as much as her whole national debt. London and Manchester and Birmingham capitalists may hereafter live thousands of miles from the sound of their spindles and anvils, but it will be the same British flag which will protect their industries. The idea of Imperial Federation, so popular in some quarters, is not meeting with universal favour, although many acknowledge the advantages of having a common flag and the protection of England's powerful navy. When Australia sees in a single year that her total trade is double per head that of the whole trade of Great Britain, she is much influenced by the motto of Sir Henry Parkes, "Australia for Australians."

While Federation has not been brought about in Australia as it has been in Canada, it may be considered as a possibility in the not remote future.

As in Canada the spirit of Annexation weakened as the spirit of Federation grew. So it may be in the Southern Pacific colonies, that loyalty to the British flag will be intensified rather than diminished with the federation of the different colonies into one dominion. While Imperial Federation may not be realized, yet Great Britain is in no danger of losing any of her colonies in the Pacific; but it is probable that she will continue her liberal policy toward them, and retain their abiding love for the old flag, and defend them with her men-of-war. Every war that England has had since Cromwell's time, especially with Holland and France, has been influenced by her colonial policy. After losing her most prosperous colony during the Revolutionary War, she has been