

southern lines of Tennessee and North Carolina. Further, in the earlier days of the United States, when a heavy import duty was imposed upon foreign sugar, it was not for protection to the Louisiana industry, but to raise revenue for Governmental purposes, even as the duty in Canada was imposed for like purpose. Under Democratic rule, Louisiana, being a strong Democratic State, and to conciliate the sugar planters there, the duty upon sugar was continued; and under Republican rule, protection being the policy of the party, Louisiana sugar making was included in the list of protected industries. The *Globe* tells us that the longer the American sugar industry was coddled (by protection) the more ricketty it became; and at last it dawned on Mr. McKinley that it would be cheaper to give the Louisiana men a small bounty and let foreign sugar in free. In other words the *Globe's* idea is that the Americans are a pack of stupid who required the teachings of seventy-five years to convince them of the fact that sugar cane growing could not be made successful as far north as the Ohio river. This is not very complimentary to the intelligence of our American friends. As we have stated, the duty upon sugar was levied and maintained always, not for protection, but for revenue, the Louisiana interest in sugar being but a feature of the matter; even as the sugar duty in Canada was levied and always maintained for like purpose.

The *Globe* contends that the protectionists in both Canada and the United States in cheapening the price of sugar have "cut the ground from under their defence of high prices for other articles," and asks, how can they in bragging about cheap sugar justify dear iron and dear everything else. If it were a fact that every protected article was dearer because of the protection given it, even then protection might be justified; but such is not the fact, for there are many articles the production of which has been encouraged by protection that are quite as cheap as they could be produced in countries where tariffs for revenue only prevail. It is quite easy to comprehend that the general production of some article in a country—sugar cane for instance, in Canada and in much the larger part of the United States, could never be made a success, no matter how great the protection offered it might be, while on the other hand the production of some other article—iron, for instance—could be made exceedingly successful and profitable under proper protection. The protective policies of Canada and the United States are not responsible for the climatic influences that prevent the successful cultivation of sugar cane, but they are responsible for the success or non-success of the iron and many other industries. In the United States that responsibility has induced the bestowment upon the iron industry of a measure of protection that has ensured the development of the industry to a point where that country has become the leader among nations in the production of iron, even excelling Great Britain in that respect; while in Canada the measure of protection afforded the industry is, and always has been entirely inadequate for the purpose intended. The *Globe* mentions the fact that we produce at home less than 30,000 tons of pig iron per annum, out of a total consumption of over 400,000 tons, reducing everything to a pig standard, and argues that herein the Canadian price is equal to the foreign price plus the duty; that "the absurdity of expecting the iron duties to develop the industry is shown by the fact that we are not making any

more pig to day than we made before the duties were imposed in 1887." We are not at variance with the *Globe* in its argument that under our present duties the iron-making industry is not being developed: and it is clear that the industry will never become any more important than it now is until a duty is laid that will in fact protect it and induce its expansion. As it is our iron duty is for revenue only, in evidence of which assertion we point to the fact that the Government pays a bounty upon the production of pig iron, without which even the few blast furnaces we now have in operation would be compelled to blow out and cease operating. Therefore Canada can never hope for a successful iron making industry until it has the encouragement of protective duties that do really protect. Under such protection in the United States they have cheap iron there, while under an entirely revenue duty in Canada we do not have cheap iron. Says the *Globe*:

Worse than all, from a protectionist point of view, is the boast that sugar has been made cheap. If sugar, why not the raw materials used by other manufacturers, and why not the manufactured articles which enter into the economy of agriculture, lumbering and all the really great industries? If cheapness is beneficial dearthness cannot possibly be good for man or beast, nor can there be any virtue in the system which promotes it.

The reason why sugar should be made cheap is because we do not need the revenue heretofore raised upon it, and because it cannot be produced in Canada. The reason why the duty is not removed from other articles is that doing so would destroy the industries in which they are essential. Cheapness is beneficial as regards sugar, but such "cheapness" as the *Globe* desires would not be beneficial, but destructive, not only to the interests directly involved, but to the prosperity of the country. Canada does not wish for that sort of cheapness.

AMERICAN RECIPROCITY VS. BRITISH FEDERATION.

WHETHER so designed or not, an effect of the reciprocity clause of the McKinley Tariff Act will be either to cripple and destroy the foreign and colonial trade of Great Britain or to accelerate British federation. The reciprocity clause is applicable to very many of Britain's possessions as it is to many other countries with which Britain has heretofore enjoyed a virtual monopoly of trade; and this applies to all countries producing molasses, sugar, hides and coffee. Of course we all know that the United States is the best market for all these articles, and we also know that that country now offers free admission for them only on condition that the producers reciprocate by showing special tariff discrimination in favor of American products. Brazil was the first to avail itself of this reciprocity with the United States, and we now see that country doing an immense trade with the United States that until very recently was done with Britain. Cuba heretofore found a ready market in the United States for its immense sugar crop, and, unwilling to lose that market, it forced Spain to consent to an arrangement whereby it might continue to sell its sugar to American consumers and take American flour, lard, bacon, etc., in exchange. It is said, too, that some of the British West Indies, unwilling to be left in the lurch, are contemplating making similar arrangement for themselves,