

were so much cumbersome ballast in the way of their active manoeuvres to sink rival traders and bring to themselves the boon of restricted competition. It seems that money is considered to be well spent if it is used effectively to dislodge a competitor, and though it makes the victor poorer in money it makes him richer in opportunity, which after all will be used only to get the lost money back. B's capital is equal to 40 per cent. of A's, and A knows that B will fight him until all his capital goes. This knowledge does not deter A from undertaking the extinction of B, though A feels that 40 per cent. of his own capital must go the way that B's goes before B relinquishes his hold. It is simply in virtue of A's surplus means over B's that A beats B, but he hopes to recover all from the high prices that restricted competition will bring. Sometimes he does, but there are sometimes too many Richmonds in the field for one Richard to kill them all, and Richmond at last ends Richard.

Some discretion should be left to travellers in the matter of expenses. To require that a detailed statement, accounting for every cent spent on a trip, should be submitted to the scrutiny of the house is doubtful policy. It implies that a low view of the status of the traveller is taken, whereas the sort of service the traveller is engaged to do, and the extent to which he is thrown upon the guidance of his own judgment, justify the belief that the wholesale trade have rather a high conception of the nature of the traveller's work. He is no mere servant with a specified limited commission to carry out. If he were, it is probable the ways and means whereby he should proceed to do the thing directed to be done would be as clearly defined as the duties themselves. He is an executive agent, entrusted with some of the power of his principals. He has to decide for himself in as many cases as they have to decide for themselves or for their agents. His house must delegate some authority to him, in the same way as the country must delegate authority to its government, and—to bring the parallel a step further—while he must render an account of the money he spends and receives—as a ministry must—so, like a ministry, he should be allowed to put the details of some classes of expenses under the general entry of secret service outlay. There is no doubt the traveller has quite often to be very diplomatic in his methods.

He has to spend money for policy's sake. With this customer he puts in a holiday if he happens to strike the town on one, and that holiday costs him money. This man he must entertain in this way, that man in that. There is no need to indicate more closely some very necessary expenses that probably could not be made self-explanatory or justifiable on paper, which indeed being put on paper might wrongly be deemed more condemning than justifying. All this is said upon the supposition that the traveller has a creditable record that is well known to his firm. If he has, he ought to be allowed to lump his secret service expenses in one entry. The test of whether or not he is worthy of this confidence will be found in the returns from his work. If his business pays all it should pay, that ought to suffice.

The United States Sugar Trust is threatened with competition from an unlooked-for quarter. It is reported that a project is on foot to form a company of Cuban planters which shall go into sugar-refining very extensively in the United States. If this company can operate its scheme on a scale of sufficient magnitude its success will certainly be gratifying to the sugar producers of Cuba. These, quite as much as United States consumers, had to pay tribute to the Trust. As soon as the combination of all the refineries was effected the planters were at the mercy of the Trust. The chief market for their raw sugar must of course continue to be the United States. But instead of their being several buyers now in that market among whom free internal competition would be to the benefit of the growers, there is only one buyer. The Trust has absorbed all the individualities that formerly played and calculated against each other, and now the seller has to take its offer. A refusal cannot be risked, as there is no other buyer to come along with a better offer. Hence the planters of Cuba have not realized very good prices this year. If they can form a company strong enough to beard the Trust in its den, they will have at least provided for an alternative customer in the United States, and will have the satisfaction of feeling that they have turned the tables on the Trust. The Trust has virtually usurped rights of the sellers in taking from them all option as to the price they shall sell at. The sellers are now breaking into the sphere of the buyers. There is a possibility that the new Brooklyn refinery in course of erection

to compete with the Trust will be controlled by the Cuban company.

Tariff arrangements play their part among the causes of economic change. The conclusion of the reciprocity treaty between the United States and Spain a few weeks ago was soon followed by the projection of an enterprise on the part of a group of capitalists in the former country for the manufacture of alcohol from low grade molasses. The fact that molasses from Cuba and Porto Rico now comes free of duty into the United States determined the starting of this industry, which promises to be run on a huge scale, the revenue to the Government from the excise collected on the alcohol they will produce being estimated at \$10,000 per day. Already some large shipments of low grade molasses have been made in tank steamers from Havana to New Haven, where large works are being prepared for the manufacture of alcohol from this raw material. A large plant is said to be going up in Blissville, L.I. This new application of molasses should make away with a great part of the low grade stuff that has been such a drawback to good prices for really good molasses. We in this country are less concerned than we were in seeing the lowest grades disposed of without loss on good molasses, as the recent addition to the duty keeps very poor stuff out. But the change will be almost certain to give a stronger tone to the molasses market. It is also represented that alcohol can be more cheaply produced from molasses.

The sale of syrup has fallen off remarkably the last two years. This decline in the volume of business has been coincident with an even more marked decline in the price, and is therefore rather anomalous. The lowering of the price is always the surest way to increase consumption, and the reduction of consumption is usually only a simple matter of adding a little more to the price. But it must be remembered that the same cause which made syrup cheap also cheapened and increased the production of its most powerful rival in consumers' favor, that is, canned fruit. We have cheap syrup because we have cheap sugar, and the greatest diminution in the price of sugar has been brought about by the removal of the duty on raw. The huge demand for granulated sugar called for a huge production, an incidental of which is syrup. But the cheapness of sugar increased enormously the production of canned fruit, both by domestic and factory process. This canned fruit is not so direct a product of sugar as syrup is, but its abundance is as directly an effect of cheap sugar as the abundance of syrup is. It is more popular, it therefore displaces a great quantity of syrup, and hence is explained the seeming paradox of low prices reducing consumption.