

suggested that "three party" conferences might be held in many instances, and he cited as an example that Denmark would be prepared to make an arrangement with the Canadian wheat trade in return for an understanding with Canada regarding shipments of bacon to the British markets. Such a system as this would have difficulties, but it is an interesting point.

It must not be forgotten that now that the five year term has been introduced into the agreements the individual industries themselves have a very real interest in its retention, for the purpose of its inclusion at all was to give them the security that they need for developing their production. Therefore if it should now be removed the industries could well complain that they had been induced to expand under false pretences, and they would have a far more serious grievance than if the five year term had never been mentioned at all.

There is apparently no lack of desire within the Empire to negotiate with foreign countries. The Prince of Wales emphasized this point at a recent dinner in London for the visiting Argentine Mission, and Mr. Neville Chamberlain at a dinner of the Federation of British Industries spoke as follows:- "The negotiations which are either in progress or about to be undertaken with no less than 20 foreign countries show clearly enough that Ottawa has left a wide field for the making of advantageous commercial treaties with other countries." Moreover, a motion in favour of reciprocal trade agreements between Canada and the United States was recently received with considerable enthusiasm in the House of Commons at Ottawa, and the general principle was accepted by the government. The question is to what extent there is really such a "wide field" for the arrangement of "advantageous" agreements and, as will have been seen by the foregoing, the answer does not seem so very clear.

With regard to the feelings of foreign countries, there have been some expressions of antagonism against the results of the conference. Mr. Marcossou suggested in the Saturday Evening Post that now there is nothing left for the United States to do but to look after itself, and itself alone, and to ignore the rest of the world. Argentina has recently treated British capital as foreign capital, for the first time in history. There have also been talks of rival trade agreements, particularly in Europe and Latin America, but these have so far not materialized. Not much in the way of retaliatory agreements is likely to be done before the World Economic Conference, but if it then becomes clear that the British Empire is unable or unwilling to negotiate to any appreciable extent with foreign countries, it will not be at all surprising if a number of barriers spring up against the Empire.

D. EFFECT ON WORLD TRADE.

There seems little doubt that the actual volume of trade done within the Commonwealth by Empire countries will be increased. Great Britain has not raised any duties on Empire goods, and Canada in her agreement with the United Kingdom only raised the duty on British goods in one item out of the 223, and she reduced the duty on British goods in 133 items. In all the other agreements, too, it is to all intents and purposes true to say that no duties on British goods have been raised, and many of them have been lowered.

The question as to whether the total trade of the Empire countries (i.e. with all nations) will be increased by the agreements is, however, another problem, and a most vital one. In effect, it resolves itself into the consideration of, firstly, will an increase in Empire trade mean that the total volume of world trade will be increased, or decreased,