

nals has recently been demonstrated in a remarkable way. Not long ago a batch of bills was stolen from the counter of a St. Paul bank, and the thief escaped. Later on he returned the money, chiding the institution for not having put in a conspicuous place the usual sign which members of the association use. The police agencies set in motion by the Protective Committee of the American Bankers' Association had made life so miserable for the culprit that he thought he might buy peace by refunding the money. It is needless to say that this will not stop the pursuit. But this man's experience is the common experience of every malefactor who lays his hands on the property of a member of the American Bankers' Association. To such high efficiency has the work of the Protective Committee been brought that the mere fact that the intended victim may put it in pursuit of a thief or forger will incline the criminal to try his nefarious arts elsewhere.

The Clearing House Associations of the United States held a convention at the same time and place. Regarding this meeting the New York "Commercial Bulletin," in some comments on a subject already discussed in these columns, said :

"This latter meeting will attract more than usual attention, in that it is expected arrangements will be far advanced, if, indeed, not completed, for a national system of compulsory check-collection charges. Mr. James G. Cannon, of the Fourth National Bank of this city, has been invited to explain in detail the operation of the New York Clearing House system. The Philadelphia Clearing House is to send delegates, and it is hoped that the result of the convention will be the entrance of Philadelphia into the ranks of compulsory collection charge centres."

The proceedings of the two bodies will be briefly reported in our next issue.

PREFERENTIAL TRADE.

WHAT AN ENGLISH FINANCIAL PAPER SAYS.

The "Financial News" (London), of 20th ultimo, commenting on the then proposed abandonment of our country by Great Britain in the forthcoming commercial treaty with Germany, says that interest in the matter would be stimulated if the value of preferential trade were more highly appreciated. The "News" then adds :

There used to be a notion in this country—and one sometimes hears it expressed even now—that English goods are so excellent in comparison with the goods of other countries that they have only to be seen to be admired, and bought, and that, in consequence, any market in the world is ours if our manufacturers choose to display the energy necessary for claiming it. And—so the old notion further ran—it was useless for foreign nations to compete with us, even

though they made their wares as goods as ours, because, under the blessings of cheap coal and cheap bread, we could manufacture more cheaply than our benighted and less-favoured rivals. This notion has been somewhat blown upon of late. The goods of other nations have been able to find an entry into other markets, and are not only picking up the unconsidered trifles of trade which our men do not think worth their while, and are not only even taking a share of the new trade which arises, but are actually also forcing out our own chosen lines of merchandise. This is the case all over the world. Foreign goods, chiefly German and American—sometimes better, often as good, generally good enough, nearly always cheaper than ours—are competing successfully for trade in every market. In respect to neutral markets, all we can do is to accept the inevitable, where it is inevitable, and where it is not to struggle our hardest, aided by the best physical and mental appliances, to get upon even terms with our rivals, and scramble for a share of the trade which was once almost wholly ours. But there is no reason why we should accept this minor role in markets which are not, or should not, be neutral. In our Colonies we can meet our rivals upon more advantageous terms. Following our own old precedent and the existing custom of other Powers, we can obtain in the markets of our Colonies an advantage which will more than equalise the disadvantages under which we necessarily suffer in competition with our rivals. We can have a preferential tariff. It has, in fact, been offered to us—been pressed upon us, indeed, by the Colonies themselves. All of them have expressed their desire to make such concessions in their rates of import duty as will put us in a substantially advantageous position in the struggle with foreign traders, if we will do the like in respect to their produce in our market; and one Colony—Canada—has already given us a preference of no less than 33 1-3 per cent., without waiting for reciprocal action upon our part; and other Colonies contemplate following Canada's lead.

The practical value of such a preference is too obvious to need dilating upon; but it may be well to refer to an argument which the anti preferentialists use when confronted with the valuable character of preferential trade arrangements. They say that England is better without such arrangements, because they endanger foreign markets by tempting foreign Powers to retaliation; and the foreign markets are worth much more to us than the colonial markets. The retaliation plea is not very formidable. At worst it means that we might be plunged into a tariff war, out of which we should stand as good a chance of emerging triumphantly as the Power which forced on the war. And foreign nations will understand this. Germany, for instance, knows that the markets of the British Empire are more important to her than is the German market to us, and that, therefore, she would stand to lose more by a tariff war. Moreover, it is essential to remember that foreign nations only buy of us what they cannot produce, or produce as well, themselves, and that the list of those things is being steadily shortened. We may be as amiable as we like in our tariff attitude toward foreign countries; they will pursue their