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TORONTO, FRIDAY, FEBRUARY 10, 1899.**THE SITUATION.**

Two events in connection with American expansions have taken place within the week. War has broken out between the insurgent forces in the Philippines, under Aguinaldo, and the United States, and the treaty of peace has been ratified by the Senate of the United States. Ratification by a majority of one shows how near the Administration was to defeat, and how easily the future destinies of the Philippines and of the United States might have taken a different turn. Aguinaldo sadly miscalculated in fixing the time for striking a blow at the American forces in the neighborhood of Manila. The ratification of the treaty at Washington was hanging in the balance, and he no doubt thought that his attack would force the beam to move in his favor. It had precisely the opposite effect, though not in so marked a degree as might have been expected. The vote on ratification was largely a party vote, the Democratic senators, with the exception of thirteen, voting against the treaty. If the Democrats should carry the country at the next elections, the question of retaining the Philippines may be raised anew. The rebels received a severe and to them no doubt quite unexpected blow in response to their assault, their loss being put at 4,000 men. It remains to be seen if they will re-form their forces and give new trouble. As a matter of fact the islands are not conquered and they may give trouble so long as the local Government exists and Aguinaldo can keep his forces together. Apparently the determination to conquer them at once will be acted upon.

As a consequence of the fight at Manila, Agoncillo, the agent of the Filipinos, who has hitherto been at Washington, is in Montreal. He pretends surprise at the fighting, on the plea that the Americans and the Filipinos had been engaged in a common cause against Spain. This language has been held, not entirely without reason by the rebels, who assumed that the Americans had gone there to aid in securing their independence, and one of the American consuls stationed at Singapore, in replying to an address of the Philippine colony, seemed to assent to this view. This was on the 5th June. He, in fact, arranged that Aguinaldo should join Dewey at Cavite. In two despatches, dated respectively the 16th and the 20th July,

Secretary Day disapproved of the action of the consul, as likely to lead to complications which ought to have been avoided. General Aguinaldo, it is admitted, might thereby have been led to form hopes which it would be impracticable to justify. But while this action of the consul was disavowed at Washington, it is not so certain that the disavowal was then conveyed to Aguinaldo. The aim of Aguinaldo was independence and he was willing to receive it under the protection of the United States. Mr. Day tells us that the Republic did not recognize Aguinaldo in any form and had no knowledge of his plans. But it seems that Consul-General Pratt, when he introduced Aguinaldo to Dewey, held out to the rebel chief hopes that his expectations would be forwarded by the Republic. The effect was an awkward complication which has led to a second war.

According to the New York Journal of Commerce, the American Pulp and Paper Trust is blocking the reciprocity negotiations with Canada. That organization is said to boast that it has the power to prevent the ratification of any reciprocity treaty that interferes with the duties on paper or pulp. At present the Trust gets its pulp-wood free of duty, while on ground pulp-wood the duty is \$1.67 a ton. Nor does a Canadian export duty trouble the Trust; for it has managed to get the law made so as to indemnify it by adding one-tenth of a cent per lb. on printing paper for every dollar a cord put on pulp or pulp-wood. Of the \$50,000,000 capital of the Trust, it does not deny that one-half is water. We may imagine the sort of arguments by which the Pulp and Paper Trust makes its way, in Congress. The 157 daily papers in the Republic which call for free paper and free pulp, appear to be quite unable to counteract its influence. Perhaps they are asking a little too much in bracketing free paper with free pulp, though the Journal is probably correct in its contention that the Trust has nothing to fear from Canadian competition. The fact that the Trust exported paper last year, to the value of \$530,718 proves its ability to compete against the whole world. This case, though an extreme one, is only another proof of the readiness of private parties to sacrifice public interest, in opposition to a reciprocity treaty.

Governor Murray, of Newfoundland, refuses to reinstate Mr. Morine as a member of the Executive Council on account of his relations with Mr. Reid, to whom the Province has handed over a large part of its resources. That the other members of the Council should ask such restoration shows the strange notions which prevail down there. It is true, Mr. Morine offered to terminate his professional relations with Mr. Reid, but that offer does not restore the confidence lost, in the mind of the Governor, by the prior anomalous connection. Mr. Morine could not serve the Province and Mr. Reid at the same time; and the recollection of that double service cannot be effaced from the mind of the Governor, who simply says, "I will not accept Mr. Morine as a Minister," leaving the members of his cabinet, who advise the reinstatement of Mr. Morine, to take their own course.

After the Cuban rebels had demanded \$60,000,000 from the United States, as the price of their submission, they accepted an offer one-twentieth that amount. They must now lay down their arms, which have for some time been resting unused, but they allege, to save appearances, that they have not changed their principles. Even in respect to the Philippines, the ratification of the peace treaty does not prevent opposition to annexation being