

United States have remained nearly stationary, and were in point of fact about the same amount in 1899 as in 1866. As I have shown in a previous article,¹ the result of the fiscal policies pursued by the two countries was that Canada in 1899 imported from the United States \$101,642,000, of which \$93,700,000 was for consumption, and exported to the United States of her own products, including short returns, \$39,225,000. This does not include coin and bullion. The balance of trade against Canada between total imports and total exports was \$56,509,000. She bought of the United States of farm products \$24,448,000, and sold to that country, of farm products the produce of Canada, \$5,778,000. She imported from the United States of free goods \$48,535,000, which was 75 per cent of her import of free goods from the world; and she received the advantage of free entrance into the markets of the United States for her own products to an extent not exceeding \$5,000,000. She charged duties upon total imports from the United States amounting to 11½ per cent, and duties upon dutiable imports from the United States to the amount of 24.13 per cent, while American duties upon dutiable imports were 49 per cent.

With a free list to the United States nine times as great as that furnished by the United States to Canada; with duties levied by the United States double in amount of percentage the duties imposed by Canada; and with practical prohibitory duties against the Dominion's farm products, there is little reason for surprise that Canada has been gradually drifting away in sympathy and in sentiment from her great neighbor, a result which the neighbor has taken every pains to render inevitable by an unfriendly fiscal policy. Being practically debarred from the American market, Canada, of course, has been obliged to find markets elsewhere, and has been enabled to do so beyond her most sanguine expectations. England last year took 62 per cent of her total exports, and her exports of farm products to that country was ten times greater than to the United States.

The effect of this immense development of English trade has been naturally to bind Canada more closely to Great Britain in sentiment and sympathy. This natural tendency has been strengthened by the lenient and generous course pursued by Great Britain toward her colonies. While her government has the power of veto upon Canadian legislation, the power remains a dead letter, not having been made use of even when Canadian legislation was detrimental to British inter-

¹See THE FORUM for June, 1900, pp. 471 *et seq.*