

# The Journal of Commerce

Devoted to

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## Our Interest in the United States Election

Canadians would not if they could, and could not if they would, have any part in the Presidential election contest in the United States. They have naturally, however, a friendly interest in their neighbor's affairs; they may properly take account of what is going on in their neighbor's territory, and they may even speculate as to the possible influence of the result upon their relations with that neighbor. Hence the various movements of the rival parties in the States in the contest now approaching its end are watched with intelligent interest in our country. Some of the questions which are engaging the attention of the American electors concern us also, and on these our citizens may be permitted to have sympathies or preferences without presuming to interfere in the battle.

The League of Nations has become the main issue in the American contest. Canadians are much interested in that subject, inasmuch as the British Empire as a whole and Canada as a Dominion are members of the League. Canadian public opinion, without claiming that the League is a perfect instrument, has regarded it as a noble effort to secure the co-operation of the civilized nations in the prevention of war. That the United States has thus far declined to enter the League is a cause of much regret. Our sympathy, therefore, must naturally go out to those who in the States are favorable to the League, either as it stands or subject to any reservations that may interpret without impairing its provisions. For that reason then our sympathies must be with the Democratic can-

didate, Mr. Cox, who is supporting the League, rather than with Mr. Harding, the Republican nominee, whose hostility to the League seems to be hardening every day.

Canada is naturally concerned also in the trade policy of the neighboring Republic. The tariff question is not so prominent in the campaign as the League question, but there are occasional references to it which should not escape attention on this side of the boundary line. Traditionally the Republican party is the high tariff party and the Democrats the advocates of low or moderate duties. The Democrats when in power have not always shown activity in the direction of tariff reduction, but it must be admitted that after the election of President Wilson in 1912 they took up the question with considerable vigor. The Underwood tariff of 1913, which is still in force, made many additions to the free list, all advantageous to the American consumers and some of them at the same time very favorable to Canadian products. There is reason to fear that a Republican success in the present contest will be followed at an early day by a movement to revive the policy of high protection which was found in the McKinley tariff and also in the Payne-Aldrich tariff. Indications of such a policy on the part of the Republicans have been seen occasionally in the campaign. One of the most emphatic statements that we have observed was made a few days ago at Nashville, Tennessee, by Mr. Harding, on one of the few occasions on which he has departed from his porch-front campaign at his own home. Mr. Harding, speaking to a Southern audience, evidently thought that protection for the farmer was a good card. We quote:—

"Highways of steel, improved roads and avenues of exchanging commerce have intersected the old Mason and Dixon line until it is only a historical memory. Your commerce is American commerce. Your industry is American industry. Your production is American production. Your farm products and our farm products are essential to American life.

"We are interdependent and the Republican party proclaims the same doctrine of agricultural good fortune in the South that it does in the North. It preaches the same policy of finance North and South. Nay, more, it preaches the same policy of a helpful protection to all American productions, North and South.

"Our party, unlike the Democratic party does not hold the American policy of protection to be unconstitutional. We hold it to be constitutional and helpful to prosper America first. We believe in protecting cotton and cotton seed products of the South and wheat and wood in the North. We be-

lieve in protection for peanuts South and potatoes North. We believe in Southern factories and Northern factories selling to America first, and we acclaim an industrial South as one of the essentials to the ideal republic.

"We can not have a prosperous America with sectional protection but hold all America to be worthy of security from ruinous competition from abroad."

Utterances like these unquestionably pledge the Republican party to a return to the high tariff policy of former days. This will mean the abolition wholly or largely of the additions to the free list and of the reductions of duties made by the Democratic Congress in 1913. Some of the concessions to Canadian products contemplated by the Reciprocity Agreement of 1911 were subsequently made by the Democrats as a part of their general tariff policy. Such concessions, of course, were made for the benefit of the American consumer, but at the same time they operated favorably towards the Canadian producers, who in this way obtained, in a considerable degree, access to the American markets. These concessions apparently will be withdrawn if the Republican party succeeds in the approaching contest. The protectionist bars will again be put up to shut us out of the American market.

We shall for these reasons be justified in preferring the success of the Democrats, who support the League of Nations and hold that the interests of the masses of the American people are promoted by encouraging trade with Canada rather than by excluding Canadian products. It must be acknowledged, however, that while the Democrats still have a fighting chance, all the indications point to a Republican success, to a continued rejection of the League of Nations and to a return to a tariff policy distinctly hostile to Canada.

## The Sugar "Hearing"

If the passing of the order of the Board of Commerce, restricting trade in refined sugar and forbidding imports of that article from the United States, seemed a strange proceeding, the same may be said of the "hearing" of the matter before the Cabinet at Ottawa. Representatives of various interests opposed to the order of the Board were present. It had been announced that the refiners would be prepared to support the order with a strong case. The public looked forward to a movement which would open up a thorough investigation into all the facts of the strange case. The refiners made a general statement of having suffered hardship from the previous action of the Government and the Board, and wound up with these words: "As it is now stated that there was not any warrant in law for the