

been accomplished; they frequently return to Labrador to reside permanently after having left for their Canadian homes. It apparently is not an undesirable country to live in, and farther inland, where there is a greater diversity of resources, it is quite possible that settlement may some day be effected on a very considerable scale.

North-eastern Canada is of importance also because of its railway possibilities. Reports of a projected line from Port Arthur to Hamilton Inlet are no doubt largely conjectural, yet an exploring expedition under American auspices is now on the ground, and is said to be examining the country with that end in view. Should such a scheme ever prove feasible it will be of immense importance to ocean shipping. Hamilton Inlet is eight hundred miles nearer Liverpool than New York is, and it has excellent facilities for a great ocean terminus. A railroad from the Great Lakes, north of Ontario and Quebec, thus reaching the sea-port nearest England, would prove the most radical solution to the transportation problem that has yet been proposed.

Free Trade Not a Progressive Policy

TARIFF revision is nowadays a live question both in America and Europe. There has of late been considerable discussion in the press and on public platforms concerning the respective merits of free trade and protection, and it may be taken as a sign of the times that there is everywhere an increasing sentiment in favor of a more effective protection. A recent magazine article, written by a distinguished economist, summed up the well-known arguments for free trade in the assertion that England's prosperity under free trade was its own best testimony, and that the people had enjoyed so long the benefits of that policy that they had lost sight of the cause of their blessings. In reply to this, Lord Masham, who is a man of business as well as

a politician, won a point for protection by showing that England's prosperity had *not* increased. Progress under free trade, therefore, was only fanciful. The trade of the last ten years had actually decreased several millions, rather than increased, as compared with the ten preceding years. During the previous twenty years England's exports had grown rapidly, having more than doubled between 1854 and 1874. This had been claimed as a result of free trade, but it was in fact a result of protection. The farmers and manufacturers prospered not because of a free tariff, but because foreign products were not brought in, although the way was open. The other nations at that time were supplying their own needs, and had not yet a surplus for export, and therefore England enjoyed the benefits of natural protection. Yet because free trade was nominally in force during that period, the credit of the commercial prosperity of the country was attributed to no-tariff while actually it was due to no-imports.

It was Lord Masham's deliberate opinion, as an observant and experienced business man, that "no free-importing country could hope to compete with one that was protected." He is strongly in favor of preferential trading among the British colonies, as an offset to the competition of foreign nations. These statements, which are both sound and convincing, throw interesting light upon the inadequacy of the free trade policy, inasmuch as its actual results are shown to be disastrous.

Tariff Coalition in Europe

THE smaller states of Central Europe are beginning to realize the seriousness of foreign competition. They fear the economic ascendency which the United States as a protected nation, is gaining, and the most practicable precaution is, in the opinion of a German economist, a coalition of the central European states, with mutual pre-