

The Chronicle

Banking, Insurance & Finance.

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXII. No. 45

MONTREAL, NOVEMBER 8, 1912.

Single Copy 10c.
Annual Subscription \$3.00

BAG AND BAGGAGE. THE war in Turkey is apparently on the verge of its most dangerous crisis; not for the Ottoman Empire, that is passed; but for the peace of Europe and the safety of the Christian population of Constantinople and possibly of some other Mohammedan centres. The cumulative hatred of centuries is whelming over Turkey in Europe like a tidal wave, and heaven only knows whether the lust of blood will stop at the eastern shore of the Bosphorus or not. If the much dreaded massacre takes place in Constantinople a war of extermination may follow the Turkish remnant into Asia. There is only too much reason to fear the passion for revenge upon the Christian of the Turk caught like a rat in a trap by a remorseless invader.

The division of the spoils of war has yet to come. The Balkan States will never consent to play the part of the traditional jackals to provide for the hungry lions among the great powers of Europe. The Turk may have to go bag and baggage, but his going will likely enough be the direful spring of woes unnumbered for Christian Europe.

THE DEMOCRATS AND TARIFF REFORM.

NO troubles are so great in the realisation as they appear in the anticipation and this is about the only comforting reflection left for the high tariff men in the United States. Thanks largely to the split in the Republican party the Democrats are or will soon be entrenched at Washington and can do practically what they like with the tariff. That very fact will inspire them with a sense of responsibility and prevent them running amok among the protected industries of the United States. Free traders and low tariff men are never so rabid when they are in power as they are when in opposition. For one thing they do not need to be, and fortunately for the stability of business their threats when in opposition may generally be regarded as being like thunder—terrible to hear but seldom dangerous. There will be a scaling downward of the tariff, and that is just what it needs, provided it is done intelligently and honestly, and in the interests of the whole people of the United States. The politicians flatter the wage earners and the consumers without doing very much in their special interests; and they dissemble their love for the trusts and the manufacturers, while consulting their interests first and foremost in framing tariffs. It is not in the interests of wage-earner or consumer to ignore the interests of

capital, because capital is essential to the interests of both wage-earners and consumers, and, as Mr. Lloyd George has shown, it is very easy to drive capital out of a country. The aim of a protective tariff should be to encourage the investment of capital for the benefit of the wage-earner and the consumer. The necessities of life can be produced cheaper on a large scale than on a small one and production on a large scale is impossible without capital. The President-elect has a high reputation as a practical social reformer and it will not, we imagine, be easy to stampede him into radical action on the tariff which is likely to imperil the stability of American industries and do more harm than good, simply to please the faddists who are dominated by and try to dominate the country by cant phrases. Under the tariff as it stands the rich have certainly been getting rich and some of the poor have been getting poorer. The price of provisions has become appalling. To what extent this is due to the tariff is a matter not for generalising assumptions but for thorough investigation. Under the new regime every item in the tariff will need justification and if it cannot show justification to-day it probably never will do so. The question in each case is not "Does this protection tend to make a capitalist richer?" but "Does this protection give employment at fair wages to the wage-earner, who but for it would be unemployed or have to work for less money?" and "Does this protection affect favorably or unfavorably the cost of living to the consumer simply as a consumer?" Even if the changes are great, common sense forbids that they be sudden.

How will Canada be affected by the Democratic victory is another question. A lowering of the United States tariff against the whole world would not necessarily make Canada a mere adjunct of the United States. We would still be our own masters and still have the right to mould our own tariff in the interests of Imperial unity and the permanence of Canadian autonomy.

MONTREAL'S REVENUE.

SATURDAY being the last day for the payment of real estate taxes to the city without interest, the day's receipts at the City Hall amounted to no less than \$1,073,000. One cheque from the Canadian Pacific was for \$155,000 and one from the Grand Trunk for \$74,000. Thirty-nine years ago the city's whole revenue from all sources for the entire year was only \$10,074 more than this one day's cash over the civic counter.