prepared state of the United States' Government and people to meet the issues in a state of military preparedness.

At the opening of that disastrous contest in 1861 the United States had no many and no army; however the former might be recruited from the mercantile marine, the latter did not exist in any sense or degree amongst the people, and notwithstanding their nominal standing army of 13,000 the very material for the rapid creation of an efficient military force did not exist amongst the population.

It is not meant that the soldierly qualities of courage and endurance was not to be found, for those were amply manifested during the contest, but the habits of discipline and the rudimentary knowledge of the soldier's life did not exist and could with difficulty be enforced on a people whose political institutions were lax to the very verge of licentiousness.

It required some stunning and disastrons defeats to awake the people to a sense of what was required, and as a result they first solved the problem of what has been credited to Prussia, "of the value of an armed nationality," exhibiting the extraordinary phenomenon of an ultra Republican system, and a military despotism combined, not under forms of law or constitutions but in direct contravention of both.

The result is matter of history, disaster stimulated energy and that quality was do veloped till the mere momentum of force decided the disastrous contest.

Trading on the traditions of past success on the over-estimated assertion of National powers, on the fears of the English plutocracy and on the sentimental politics as well as the Republican tendencies of the Whig Rudicals, the Washington politicians in order to divert popular opinion from local mal-administration and the pressure of a severe and un sound financial system got up the cry for compensation for damages done by the Southern Privateer the "Alabama;" if we mistake not it was General Bunk's that first raised the issue which was so monstrous that Earl Russell refused to look at or enter tain it in any case.

The fears of the English Stockholders compelled a consideration of what was to all intents and purposes a most unjust domand by a people notoriously untrue to their neutrality engagements, the Washington Treaty has been the result; the consequential damages claimed under its provision are so monstrous that even Manchester has been compelled to show fight.

In this connection an investigation into the power and resources of the United States showed the feet of clay to the composite gigantic statue, in other words its army was a mere relic of the past; its Navy. a myth and sham, and that while its claim would be pushed with a reckless and shameless efficiety, it had no power to enforce them in any degree or any case.

Army and Navy Journal points, and probably with refined State craft draws the comparison between "1861 and 1872" as an incitement to the Government and peoplo of the United States and a warning to Great Britain, that in the event of hostilities although she might be successful in the commoncement, yot the national vitality was such that the States would eventually conquer and repeat the programme of the last contest.

We cannot but admire the manly spirit that will not acknowledge defeat in nationalities or individuals, and we hope our own people will benefit exceedingly by the example which the United States affords in this case.

At the same time, we must in justice to ourselves point out a material difference which the Army and Navy Journal wisely leaves in the back ground: in 1861 the United States had no National Dabt, in 1872 it is the heaviest in the world, measured by the rate of taxation which is \$20 per capita of the population, or by her foreign commercial relations.

It is manifest that if English Statesmon are wise a period has arrived when they can become emanoipated from the fear of the efforts of the great Democracy, and that the United States may be placed in her true position both on this continent and the comity of nations.

The unscrupulous bullyism of her politicians and the grsonading egotism of her Press, with the self sufficiency of her people combined, to force her into a position respecting other powers to which she was not entitled by her power, importance, or woolth.

WE shall be the to give our readers portions of the Adjutant General's "Report on the state of the Militia" for 1871, in our next issue, as many of them will not be able to procure a copy we shall print a large portion of this valuable historical document in the Volunteer Review.

The present volume contains the usual valuable statistical information on the state of the force and the progress made in organization and discipline, which the Adjutant-General declares to be highly satisfactory, the indications of the progressive increase of our population is marked by the fact of enrolment of nearly 700,000 of a reserve force and over 43,00) men of all arms as the active force un ler discipline. Taking our population as given by the last census, this active force would be equal pari passu to a British Army of 331,000 men allowing the population of the British Isles to be 27,000 of souls, so that it cannot be said we are not fairly represented by an armed force.

It is, moreover, very certain that our system has partially drilled within the last ten years at least 100,000 men of which much the largest proportion still remain in the organization of the Province, and the

necessity it would not materially affect our interests to place 150,000 men under arms

The whole of this state of preparation is due to the admirable militia law devised by the present Minister of Militia, and to proper appreciation of its provisions and of the morale of the force with which he had to deal by the Adiutant-General.

It is only necessary to read the able report now before us to be convinced that the Canadian Army is commanded by a soldier eminontly gifted with every quality necessary to accomplish the Herculean and unique task of creating what may truly be called a civilian army,

The completeness of the staffarrangement and the abilitity of the various officers in charge of the different departments of military administration and control are ovidenced by the Reports of those officers, and we may safely challenge the military literature or annals of any army for a more complete methodical instructive analysis of its yearly operations.

The people of Canada have before them in those volumes a full history ci the organization of their army, every item of expenditure thereon, the detailed duty of its staff officers, and how fulfilled, and an accurate account of the progress made in drill, organiza. tion, and discipline.

Such a document most unmistakeably proclaims the touch of a master hand and is at once a valuable class-book on military organization and an historical document of great importance.

THE Trade and Navigation returns for the fiscal year ending June, 1871, show that the total exports amounted to \$74,173,-638, the imports to \$36,947,482; being an increase on the fiscal year ending June, 1870. of \$600,128 of exports and \$15,709,879 of imports.

The great bulk of our trade lies with Great Britain and the United States; our exports to Great Britain are: \$24,173,244; to the United States, \$30,975,642; our imports from Great Britain being \$49,168,170; from the United States, \$29,022,387; being nearly \$2,000,000 less than our exports to that country, so that the balance of trade is decidedly in our favor which could not be said to be the case under reciprocity; our imports from Great Briain has increased 27.40 per cent.; from the United States, 17.3 per cent.

Our exports to the British West Indies show an increase of \$538,671 while that to the Spanish Maine has declined about \$203. 000.

The total tonnage employed in foreign and home trade amounted to-Inwards, 6,576,771; Outwards, 6,549,257 tons.

Our new Province of Manitoba figures for the first time in the list—the tariff on which duties are collected existed at the time of To this conclusion the able article in the 'Canada, and no are satisfied that in case of rates are below those of the general tariff of