

ESTABLISHED 1866.

THE MONETARY TIMES

Trade Review & Insurance Chronicle,

With which has been incorporated the INTERCOLONIAL JOURNAL OF COMMERCE, of Montreal (in 1869), the TRADE REVIEW, of the same city (in 1870), and the TORONTO JOURNAL OF COMMERCE.

ISSUED EVERY FRIDAY MORNING.

SUBSCRIPTION—POST PAID.

CANADIAN SUBSCRIBERS, - \$2.00 PER YEAR.
 BRITISH " - 10S. 6D. STER. PER YEAR.
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TORONTO, CAN. FRIDAY, JULY 18, 1890

THE SITUATION.

Interest in the McKinley tariff bill is daily manifested in Europe. Sheffield calls for protection against it, the trade of that hive of industry with the Republic being imperilled. But the British Government is not likely to move on the line indicated. Besides the tariff bill, a tonnage subsidy bill has passed the Senate, and to complete the list there is a postal subsidy bill, both of which are grave departures from sound principles of political economy. Protection has killed American shipping, and has done it in the name of the American ship-builder. Protection restricts foreign trade, and the cry is raised that ships are wanting and that they would bring trade in their train. More protection is applied, on the principle that like cures like. Ships may be called into existence by double bounties, but when foreign trade is more restricted by the tariff what will there be for them to do? The shipowners may be content if the bounties ensure them sufficient profit. The nation pays, and it is thought the farmer can be made to bear another turn of the screw, especially as promises are made in his name. Some retaliation this mad march of protection is raising in Europe, and it is not improbable that there is more to come. There are circumstances which might justify the right of retaliation, though its policy must generally be open to grave doubt.

Out of the violation of her treaty obligations by France, England knows how to extract profit. By a common treaty France and England bound themselves to protect the independence of Madagascar and Zanzibar. France, disregarding her obligation, established a protectorate in Madagascar, and the right of England to follow this precedent in Zanzibar cannot be objected to by the nation which set it. So there will be no trouble over the English protectorate of Zanzibar. This is what an official announcement to that effect means. Bismarck has let the world know that if he had remained Chancellor he would not have agreed to the African partition treaty; and he, speaking without the book, says that Heligoland could have been got at a

lower price. And he is not quite sure that the Heligoland elephant may not prove troublesome to its new owner, since its protection in war, unless fortified, would entail trouble, and capture would not be impossible. Little by little, Bismarck is throwing off the self-restraint which, on his resignation, he at first imposed on himself, and the more he lets it be known that his head is sore, the less will be his credit with that public which, in the day of his power, regarded him as almost superhuman. The African treaty will be carried out, and British trade extended in Africa. It remains to be seen whether Stanley's dream, that it is possible for England to do in Africa what she has done in America, can be realized.

Below the maximum rates fixed by the Interstate Railway Commission, competition has room for play. And just now this competition has settled the rate for dressed beef. The Grand Trunk and the Canadian Pacific underbid the American companies and got the traffic. The arrangement was made by the Central Traffic Association at Chicago, and went into operation yesterday. The bids of American roads were much higher than those of the successful competitors. This competition results in a gain to the public, but it breeds hostility in the American roads, and explains the movements in Congress against the Grand Trunk and the Canadian Pacific. Under the Interstate Commerce Law the local rates have to be brought into harmony with the through rates, fixed, in this instance, by competition. If the operation is disagreeable to the American roads, the law is responsible for it, and it is no more acceptable to the Canadian roads. That action will be matured this session of Congress to bring the Canadian roads doing business in the States under the Interstate Commerce Law, is not probable. The proposed extension of this law would, besides, involve consequences which would not be in accord with the interests that invoked it.

General Middleton, though guilty of grave indiscretion in the matter of the Bremner fur looting, has met more harsh treatment than generally falls to offenders of this kind. The best thing was, perhaps, for him to retire, and it is matter of regret that he has done so under a cloud which obscures the valuable services he has rendered to the country. As an old India officer, he had possibly seen, certainly he must have heard, much of looting, and noted the light way in which it was treated by the British public. In connection with the office which General Middleton held in this country, there has for some time been a disposition to claim it for a Canadian. Some expectants may have been quietly working in that direction for years. There is no general feeling on the subject. The case is emphatically one in which "Canada first" does not apply. We need a British officer of adequate experience at the head of the militia, and we trust the rule of appointment hitherto observed will not be departed from on this occasion. General Middleton made a grave

mistake in the matter of the furs, but we have no guarantee that we should have fared any better at the hands of a Canadian. If we cannot rely upon the honor of a British officer, we are in a bad case. But one fault does not create a general danger, and now that it is atoned for, we can go peacefully on in the accustomed path.

Both in the British House of Commons and the American Congress the correspondence on the Behring Sea fishery has been called for. At Washington it was moved for by Congressman Hitt, chairman of the House Committee on Foreign Affairs. This call for the correspondence is timely, its publication being necessary to put an end to the sensational stories asserted with great persistence. It is satisfactory to know from Mr. Hitt that "the correspondence will show that the relations between the two countries are most friendly, that the negotiations are proceeding amicably, and that a conclusion is apt to be reached by arbitration satisfactory to all concerned." Mr. Hitt's personal relations with the Secretary of State may be taken as a guarantee that he knows what he is speaking about. Mr. Blaine apparently founds a claim on the old Russian pretension of exclusive rights in Behring Sea, and Sir Julian Pauncefote suggests an international convention to settle the main difficulty. A similar suggestion comes from the other side, charging the Administration of Mr. Cleveland, and unless the policy of the Washington Government has changed with a change of men, on an international question where stability is desirable the only difficulty should be about details. The British Government, too, has promised to send down the correspondence, which is described as being voluminous. There is really no danger of collision between England and the United States in Behring's Sea, as sensational journalists have pretended.

At last a silver bill of ominous import has passed the Senate of the United States. It directs the Secretary of the Treasury to purchase 4,500,000 ounces of silver every month, if so much be offered, at a price not exceeding one dollar for 371.25 grains of pure metal. Against these dollars Treasury notes are to be issued, the denominations of which may vary from \$1 to \$1,000. These notes, though redeemable in silver, are to be legal tenders unless where contracts provide otherwise, for all debts public and private. It is the declared policy of the law to maintain the present legal proportion between the value of gold and silver, or such proportion as may in the future be fixed by law. By this bill silver is, through its paper representative, made a legal tender for far more than its market value. In this way it contracts for the depreciation of this part of the currency. The attempt to force silver into circulation at a figure far beyond its value, must in the end fail, or what is worse, put an end to the gold standard. The large quantity of silver to be dealt with will lead to trouble. The silver men have got their way: the public must suffer by the folly of Congress. The silver men regard the bill as a step in the direction of the free coinage of silver.