

The Universities and Canada's Foreign Trade

By PROFESSOR S. J. McLEAN

WHAT has a university to do with trade? some doubting Thomas may ask. As he asks this question he probably thinks of an imaginary professor bespectacled and absent-minded living in ivy-surrounded solitude, "the world forgetting by the world forgot." But whatever may have been the older conditions, the university man living in this modern work-a-day world—be he student or professor—must be in touch with the world in which he lives. And while dollars and cents are not the only test, the country has the right to ask the university graduate, "What can you do better as a result of the training you have received?"

Hon. Clifford Sifton's recent speech on the Budget dealt with a number of important topics; perhaps the most important of these topics was that of the possible relation of university graduates to the foreign trade service of Canada. The Canadian universities have furnished men to the professions, to public life, and in recent years in increasing numbers to business. It needs but openings to attract men to the pushing of the foreign trade of Canada.

Canada is just beginning to develop its foreign trade; there is every reason why it should attain to great dimensions. The wider the area it trades with the less the chance it has of suffering the evil effects that come from having all the eggs in one basket. Already with six millions of people Canada's foreign trade exceeds that of the new world power, Japan. In proportion to population and developed resources Canada's foreign trade is relatively more important than that of the United States. The developing of this foreign trade is something which must depend on a knowledge of Canada's resources, the demands of our chief customers, the resources of competing countries, etc. All these are matters for study with a view to expanding trade.

Of the countries on the continent of Europe, Germany has attracted especial attention because of the systematic methods it has used in developing its foreign trade. It has studied the demands of the peoples it deals with and how best these demands may be met. In its educational institutions it has devoted especial attention to foreign trade and to the consideration of the ways whereby this trade may be developed. To cite but one example, the careful study Germany has made of trade conditions in South America—the commercial wonderland of possibilities—has given her a great advantage over the United States. Germany manufactures the goods the South American wants; the United States thinks that what suits its home market should suit South America. Again, South American trade is so organised, mainly because of defective transportation, that long term credits must be given. These

the Germans give and get the trade. The Americans, on the other hand, think that the methods that prevail in the United States must prevail in South America. Some years ago I was talking to an official of the Philadelphia Commercial Museum concerning this matter and he told me that the South Americans would have to learn United States methods. Foreign trade, however, is concerned with supplying what is wanted and in the way it is wanted, not with missionary enterprise.

The consular services of foreign countries are able to draw upon men who are competent to advise their own countries of the best way in which trade may be pushed. They have qualified themselves for such work by careful preparation. England, Germany and France have appreciated this. While the United States have until recently felt that the Declaration of Independence had satisfactorily organised everything, foreign trade included, it is now beginning to see what may be done in the organised development of foreign trade. The development has been especially marked in the period since the Spanish-American war. The participation in world politics, which is the aftermath of that war, has sobered the United States in many respects and given it a wider horizon than it possessed in its thoughtless youth. In its consular service provision is being made for greater permanency. Appointments are being made to the lower grades by examination, and an attempt is being made to attract university graduates. In the examinations for these lower grades especial attention is devoted to such subjects as commercial geography, commercial resources of the United States and of foreign countries, banking, foreign exchange, political economy, transportation, commercial law, international law, etc. From the lower grades promotions may be obtained by service and merit. For example, appointments are made to student interpreterships. These appointments carry with them transportation to the place of service and a salary of \$1,000 a year. The appointment is for two years. Suppose the appointment is to a post in China, then during the two-year period the appointee is expected to study the language; if at the end of his probationary period he is competent he is made a consular clerk and is in line for promotion. In recent years the United States have also pursued the policy of enlisting the services of special agents to advise how trade should be promoted. For example, a little over two years ago, Dr. L. Hutchinson, of the Department of Political Economy and Commerce of the University of California, made a number of extremely valuable reports on trade openings in South America.

The methods the United States have seen fit to adopt are of especial interest to Canada. Not only

do the similarity of resources of the two countries point this lesson; we should also be prepared by studying the experience of the United States to save the price of her mistakes. The policy of the United States are, in common with other countries, adopting indicates that instead of a country choosing a trade representative on the happy-go-lucky method of letting him obtain all his special trade information after he is appointed it is much more economical to see that he has preliminary qualifications.

In the development of Canadian trade we should see to it that the profit comes to us direct. Mr. Sifton attracts attention to the fact that in our trade with Japan a considerable part of the profit goes to American middlemen. What is being done in the United States, which is just waking up to the importance of foreign trade, advises what we can do. It is not because the university graduates are a privileged class but because they have had especial opportunities that the importance of utilising them in pushing Canadian foreign trade is urged. We already have at least one Canadian university graduate, in the person of Mr. W. A. McKinnon, a graduate of the University of Toronto, who is located at Bristol, England, engaged in our foreign trade service. There should be opportunities for others.

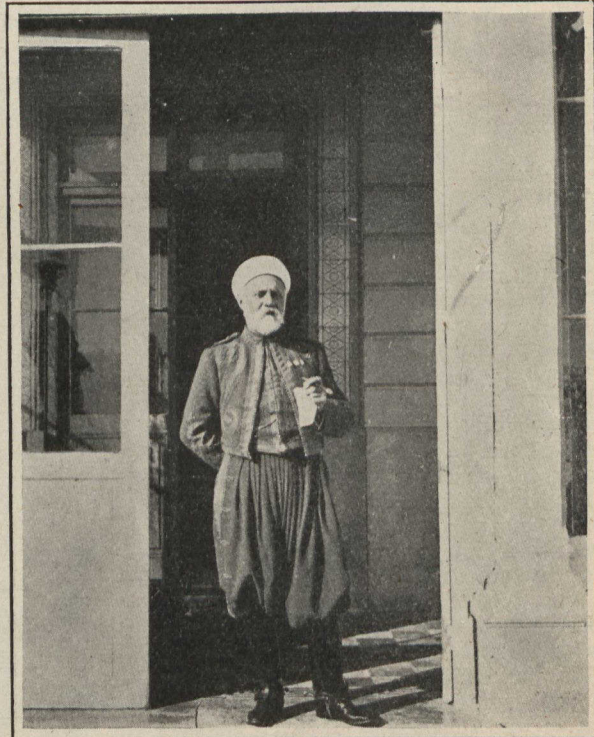
What training does the Canadian university offer for such positions? The nature of the preparation required for the lower grades of the American consular service has been referred to. To cite Toronto University as an example, courses of study are offered in commercial geography, industrial history of Canada and other important countries, political economy, finance, banking, foreign exchange, corporation finance, transportation with reference to the rail and water transportation of Canada—attention being also devoted to the transportation routes whereby foreign markets may be reached, commercial law, international law, modern languages, etc. Mr. Sifton asks, where would the Government turn if it wanted a trade representative to send to South America? It will be noted that the course just outlined is wider than that required for the entrance to the lower positions of the United States consular service. Already the courses offered attract a large number of students who are interested in them because of their bearing on the problems of life. If the Government should decide to so reorganise the foreign trade service as to specifically recognise this preliminary training when appointments were being made there would be no difficulty in obtaining properly trained young men. The universities would be prepared to meet the demand. The opportunity of assisting in developing Canadian trade abroad would appeal to the brightest and most adventurous. While the university does not assume that its training is a substitute for the essential training obtained from the world of experience, it is justified in asserting that it can give such a training as will make its graduates, entering the foreign trade service of Canada, valuable officials from the outset.

Two New Photographs from Morocco



A Glimpse of Morocco's Home Life

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The Released Kaid

The first photograph taken since Kaid Maclean's ransom from Raisuli.