1871

The National Dream

As previously reported, our Prime Minister, John A. Macdonald has envisioned the creation of a British North American nation that would rival the United States. To realize the dream, we would need a transportation and communication link joining our entire country. Our latest province to enter Confederation, British Columbia, joined the union on the promise of a transcontinental railway.

Insiders now report that no politician knew how much a railway would cost or even what route the railway would follow.

Prime Minister John A. Macdonald and his government are looking for backers to underwrite (to finance) the railway project because they have no intention of building the railway themselves.

Industrialist Jay Cooke is reported to be interested because he sees the economic potential of the Canadian Northwest so he can increase his economic power.

**Sir Hugh Allan,** said to be the only industrialist who has enough money to finance a railway has created the **Canadian Pacific Railway** company but rumours has it that it is really controlled by Jay Cooke’s **Northern** Pacific Railway.

1873

The Pacific Scandal

Macdonald has **resigned** from government! Evidence has been found that shows Macdonald guaranteed Hugh Allan the railway contract in exchange for him to finance the election he called in 1872, the first election since confederation.

Contributing factors include the loss of many seats of the conservatives, and the realization that the conservative party did not have enough **money** to woo voters successfully.

**George Etienne Cartier**, Macdonald’s associate in Quebec is involved in the scandal as well because he wrote memos to Allan that made it seem as though Macdonald was on Allan’s payroll.

Mackenzie and that “Damned Railway”

Alexander Mackenzie, who has led the liberals to power, has decided not to have any railway construction because of the major economic **depression** sweeping North America.

The province of British Columbia is reported to be very **negative** towards Mackenzie’s **“do nothing”** attitude and there are even talks about **withdrawing** from confederation if the promised railway is not built.

Mackenzie is however, allowing the **Canadian pacific survey** to continue their investigation on all the possible routes that the railway can take. It is relatively inexpensive and the information would give a brand new picture of the geography of the nation.

1876

The National Policy

Developed by Macdonald, the policy is said to serve as a formula for nation building. It deals with three issues, as elaborated below.

*A system of protective tariffs*

Macdonald has devised a system of tariffs to protect Canadian **manufacturing, mining, and agriculture** from America dumping (to sell goods at a low price) their goods on the Canadian market to increase their profit.

*Western Settlement*

The prairies in the West, being well suited for agriculture, is discouraged from development of manufacturing so that the crops produced can be used as income for Eastern Canada’s manufacturing of goods.

*The CPR*

The West can only develop as a centre for agricultural export when goods can be imported and exported out of the region. The government is reported to have put the construction of the CPR as its top priority. Prime Minister Macdonald has also thought of it as possibly a part of the British Empire’s trading network for shipment of goods to and from **Asia**.