

ERRATIC WALL STREET LOOMS LARGE.

Financial Hub of the United States Experiences its Third Depression this Year.

THREE STOCK EXCHANGE REFLECTIONS.

I.

All the tragedy of stock exchange finance was compressed into a few hours on Wall Street this week. The closing of the doors of several prominent institutions, the wild and senseless excitement on the Stock Exchange, the collapse of several prominent industrial firms, tended to create a record in the matter of monetary debacles. Except for a sympathetic flurry on the Canadian stock exchanges, Canada has not experienced any harm from the financial cyclone which struck New York.

At any time this would be a matter of congratulation. The Toronto business man may fold around him at night the bedclothes of a railway company, waking up the following morning within a few minutes' ride of world-famous, and eery-looking skyscrapers. In spite of the short distance which separates Wall Street from Montreal and Toronto, in spite of the network of telegraph wires, which tell a new story every second, the Canadian business and financial fraternity remains unperturbed. But the collapse, coming at the present time, proves more than ever the commercial stability of the Dominion.

In certain quarters upon this side of the border a Wall Street panic has been anticipated, and an uncomfortable feeling has been nurtured in Montreal and Toronto stock exchange circles. Men there are who quietly gloated last week when the Montreal Stock Exchange experienced two or three bad days, consequent upon a succession of unfavorable news. It would have been to the advantage of certain interests had the Canadian stock exchanges become crazy with the excitement peculiar to such institutions. Had the prices of certain stocks been hashed like mincemeat, there would have been satisfaction—in divers places. With the first wire from New York the hopes of these interests were raised above par.

The Canadian business man knew his position; the Canadian broker knew his. The result was that the disturbance scarcely ruffled the calm surface of Canadian conditions.

A praiseworthy feature of the situation was the vital assistance rendered by Secretary Cortelyou. As fast as the panic-stricken public drew millions of dollars from the big institutions, the Government refilled the coffers of these institutions. This should be a palliative to the charge that the Government, through President Roosevelt, is responsible for the present situation. To some degree the President may be answerable for the nervous and excited conditions prevailing. But, as he says, it is better that there be a temporary commercial and financial setback than that the cultivation of unwholesome financial methods should continue.

The attitude of the Government and the valuable assistance of the bankers have averted what might have been a very serious panic. The run on the resources of the Trust Company of America, had it meant the closing of the doors of that institution, would have seriously shattered the monetary fabric of the United States. Men who have misused their power are now reaping their reward. They will continue to gather bitters until they themselves assist in changing conditions which can be best though not agreeably described as rotten.

II.

"He who sups with the devil has need of a long spoon." He who has dabbled in the stock markets of late had need of a long purse. Of all institutions subject to cold shivers at the will of no one in particular, and everybody in general, the average stock exchange occupies primary position. The stock market is to some extent a guide to financial conditions, but not entirely. A man will walk into a wholesale house, and when undergoing the usual temptation to buy,

he will remark: "Stocks are down, you know," nodding his head wisely. Ask him what stocks he holds, and the reply may be: "None." Too many people talk of the stock markets as they do of the weather. They know little concerning the fundamental principles of either, and balance this lack of knowledge with much chatter. The stock exchange is a business institution, where securities are bought and sold. If shareholders care to throw their holdings into the cauldron of manipulation at any and every word of command, it is their own business. But such actions should not upset the equilibrium of the business community.

III.

While Canada has not been sorely hurt by the trend of events in New York, there is a live possibility of the effects being felt in the days to come. Such a decided break-up of financial conditions in the United States, whatever artificial or real strength be injected into them for the time being, means some sort of a trade and financial depression. Commercial relations between the United States and the Dominion are strong. A slackening in business is, therefore, not at all unlikely. The situation can scarcely become acutely serious unless other chaotic outbreaks should occur in the United States. But it is certainly time for the Canadian financier and business man to exercise the strictest care, economy, and conservatism.

FROM PENS NEAR AND FAR.

Here are a few expressions of opinion culled from American, British and foreign newspapers:—

Chicago Record-Herald.—It seems to be a case of capital punishment as far as Wall Street is concerned.

Toronto Globe.—The basis of Stock Exchange business is so largely speculative that a panic is always a possibility.

Montreal Star.—Nothing is more unfair or more futile than to blame the revelations of Roosevelt for the attacks of "nerves" on Wall Street.

New York Herald.—Everybody should keep cool, and the man, whether in private or public life, who utters words calculated to create disquiet is an enemy of the community.

New York Tribune.—The incident seems to point to the advisability of association and the formation of a clearing-house by the trust companies, a project which is being discussed.

Toronto Mail and Empire.—It is safe to say that had the state of this country's financial health been otherwise than excellent, the progress of disaster would have been almost as unchecked here as it was in the Great Republic.

Berlin Boersen Courier.—If some of these banks are found to be rotten there is no knowing where the crisis will stop. We expect to hear of runs on other New York banks, which hardly all of them will be able to withstand.

London Morning Post.—The financial troubles in America are accumulating too rapidly for temporary palliatives to have much effect and it would be better for every one concerned that the crisis should be hastened instead of delayed.

New York World.—Let there be no dodging of the issue. Frenzied finance is the culprit at the bar. He is no patriot, and but little of a financier, who rails at honest measures to cure admitted ills instead of manfully upholding them, whether they be the salutary acts of clearing-house committees or the efforts of public officials to enforce the law.

Wall Street Journal.—President Roosevelt, at Nashville, took occasion to refer to the trouble in Wall Street. What he said was not especially calculated to give peace to the situation. He argued that his policies had not had any material effect in bringing about present troubles, but if they had, he did not intend to alter them in the slightest degree.

London Daily Mail.—There is no need to suspect the sound American banks. There is a wide gulf between the conservative banks and modern trust development. The speculators are tumbling in the debacle, and their fall gradually is clearing the atmosphere. Even the soundest concerns

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